



# ***Daily Report***

## **China**

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# Daily Report

## China

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**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

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## General

### U.S. Concerns Over Soviet Weapons Viewed

HK1812064391 Hong Kong WEN WEI PO in Chinese  
18 Dec 91 p 2

[Editorial: "Soviet Nuclear Weapons Are Headache for United States"]

[Text] It is believed that Baker's visit to Moscow will focus on the Soviet Union's control over its nuclear weapons.

Bush already had telephone conversations with Gorbachev and Yeltsin, and both guaranteed that the nuclear weapons will be under unified control. Other republics which also possess nuclear weapons have made similar statements.

The security of the Soviet Union's 27,000 nuclear warheads was not a problem when the Soviet Union was a unified nation. As long as the right to transfer and launch nuclear weapons is within strict control of the Soviet Central Government, nobody can approach the nuclear arsenal. Following Baker's statement that "the Soviet Union no longer exists," however, the United States had to consider the seriousness of the situation in the Soviet Union. When Gorbachev discovered that he could not exercise control over the troops and the country's development and that he could not even ensure his position as president, it meant that anything could happen. Any political leader's promises will be far from what is actually implemented.

The presidents of Russia, Ukraine, Belarus, and Kazakhstan have given open assurances on the security of the nuclear weapons, and this seems to have reassured Baker. This reveals, however, that Gorbachev's promises are not going to be honored and that these people are the figures who have real powers and the right to speak on nuclear security. Yeltsin has even said publicly: "Gorbachev cannot play any role in the new commonwealth, so he will resign within a month." The state of "five heads in a nation" reflects the volatility and unpredictability of the Soviet situation.

In the past, the United States has only been in contact with the central Soviet Government in its effort to seek nuclear security. Baker's current itinerary includes the four republics that possess nuclear weapons. He had to haggle with them over the issue, thus increasing the difficulties in the control over nuclear weapons. Beginning in October, all the four republics asked for a share of their control over nuclear weapons. Ukraine, Belarus and Kazakhstan have been worried that Russia would dominate the other republics if it controlled the nuclear weapons. They also consider the nuclear weapons stored in their republics as bargaining chips to use when negotiating with the Western powers for more economic aid. The Ukrainian Parliament decided to establish its independent navy, ground, and air forces and has tried to propose an amendment bill on exercising control over the nuclear weapons stored within the republic. The

parliament leader has said: "Ukraine does not intend to use nuclear weapons; rather, it wants to seek ways to destroy them."

Talks are necessary to destroy nuclear weapons, and possession of nuclear weapons is taken as the admission ticket to the talks. For this reason, Baker will visit the capitals of Russia, Ukraine, Belarus, and Kazakhstan and will meet with the republican leaders to find out the real status of the Soviet Union's disintegration as well as the speed and trend of future development.

In view of the fact that the Soviet Central Government can no longer control the situation, the United States has made arrangements, delivering emergency aid materials by air to Belarus, Russia, and Armenia. In other words, the materials are directly delivered to the republics rather than distributed by the Soviet Central Government. Nevertheless, this U.S. move runs counter to its original purpose. The United States wants the Soviet Union to keep a unified Army, but the direct aid it has given to the republics has aggravated the Soviet Union's disintegration, undermining the foundation of a unified Army.

What is the essential factor for keeping a unified Army? The rudimentary condition is that the central government should still exist and be capable of offering provisions and funds to the troops. When the central government's pocket is empty, and the United States no longer offers aid to the government, the troops will have no choice but to depend on the republics for funds. Whoever can pay the military expenses owns the troops. If the republics can pay part of the military expenses, they will be able to have their own troops. Moreover, the troops will have to "serve their masters." As for the republics which are beset with economic difficulties, they will be driven to the wall and even secretly export their nuclear technology and personnel. Now the military scientists receive a salary of only 750 rubles. They will have to seek a way out by themselves for their future employment. When the nuclear technology is regarded as a commodity for making a living and when these nuclear scientists are employed by some countries with handsome remuneration, it will turn into a grave consequence.

It is definite that Baker will get many promises and large numbers of guarantee documents during his Soviet trip. The more promises the United States gets, the more complicated the implementation of nuclear nonproliferation will be.

### 'Roundup' on West's Concerns Over USSR Demise

OW1712100391 Beijing XINHUA Domestic Service  
in Chinese 0927 GMT 16 Dec 91

["Roundup" by XINHUA reporter Yuan Jinlin (5913 6930 2651): "The West Is Both Elated and Worried About the Soviet Union's Accelerated Disintegration"]

[Text] Beijing, 16 December (XINHUA)—The leaders of Belarus, Russia, and the Ukraine signed an agreement in

Minsk, the Belarussian capital, on 8 December proclaiming the creation of the "Commonwealth of Independent States." The agreement also declared that the Soviet Union would no longer exist as a main component of the international legal system or as a geopolitical entity. The five republics in Soviet Central Asia, including Kazakhstan, are preparing to join the "Commonwealth." President Gorbachev, who favors the signing of the "New Union" treaty and the preservation of the Soviet Union's state system, has found himself without recourse, and he is criticizing the way the leaders of the three states have abandoned the central government to form another one. The West is both elated and worried about the Soviet Union's accelerated disintegration.

Western observers generally believe that, strategically, the latest developments in the Soviet Union signify a thorough erosion of the threat that the Soviet Union poses to Western interests. Whatever "Commonwealth" will appear cannot possibly have the coordinated defense, foreign, and economic policies of the old Union, nor can it have a unified plan for military affairs and national defense modernization. U.S. President Bush said on 11 December that the dramatic and fast-breaking developments in the Soviet Union are "evidently of paramount importance to our interests."

The new changes in the Soviet Union, however, have made the Western countries worried and jittery. Their anxiety and unease are mainly reflected in the following three areas:

First, they worry that the changes will lead to a loss of control and the subsequent turmoil will jeopardize Western interests. Gates, the new director of the U.S. Central Intelligence Agency, said on 10 December: The situation in the Soviet Union is "very unstable and full of danger." It could lead to the most serious civil disorder since the 1917 revolution. In his speech at Princeton University on 12 December, Secretary of State Baker likened the West and the Soviet Union to "mountain climbers tied to a rope." He noted: The evolution in the Soviet Union, while providing opportunities to the United States, has presented dangers of similar magnitude. The West cannot remain unharmed if the Soviet Union falls into an abyss of anarchy. West European countries are particularly worried that civil disorder in the Soviet Union will trigger a wave of refugees that will strongly affect them. The Japanese Government is most concerned about anarchy in the Soviet Union, which will delay the long-stalled Northern Territories talks for an undetermined period and will cause an unpredictable change in the composition of Soviet interlocutors.

Second, they worry about the loss of control over nuclear weapons in the Soviet Union and the impossibility of implementing several agreements that have been signed, including the one on reducing conventional forces in Europe. Prior to his visit to the Soviet Union, Baker said that controlling and destroying the Soviet Union's weapons of mass destruction is the "top-priority" job for the West and the primary goal of his visit. Baker said:

The loss of control over nuclear weapons in the Soviet Union will be extremely dangerous to Europe and even the United States." [no opening quotation marks as received]. Accordingly, the United States has decided to allocate \$400 million in defense spending to help the Soviet Union dismantle its nuclear weapons.

Meanwhile, participants in the recent European Community summit meeting and NATO defense ministerial meeting said that the loss of control over the Soviet Union's nuclear weapons will cause unimaginable disastrous consequences. Hence, the task of sparing no effort to "help" the Soviet Union control its "nuclear button" will be a primary concern which the West must do all it can to address.

Third, they worry that once the Soviet Union collapses, nobody will acknowledge the \$80 billion debt owed them, and that they will be unable to find someone to repay it. Under such circumstances, the West, while pressing the Soviet Union to repay the debt, has either stopped considering granting assistance to the Soviet Union or is working to reduce such assistance to the largest extent possible. It will also list the Soviet Union as a "risk country."

People in Western banking circles believe that Germany and France will be the biggest losers that will bear the brunt of the Soviet Union's failure to repay the debt.

#### XINHUA 'Roundup' Discusses Global Arms Cuts

OW1612141891 Beijing XINHUA Domestic Service  
in Chinese 0414 GMT 16 Dec 91

["Roundup" by reporter Yang Yuehua (2799 6460 5478): "Take a Look at Global Arms Reduction From the Perspective of Debates at the UN General Assembly—XINHUA headline]

[Text] The United Nations, 15 December (XINHUA)—The arms reduction debates at the 46th UN General Assembly have already come to an end. The General Assembly passed a total of 40 resolutions on nuclear arms, biological and chemical weapons, reduction of conventional arms, transparency of international arms sales, among other topics. Every country urged the military superpowers to assume their special responsibility for arms reduction as quickly as possible; the call for establishing a new international order that is not under the shadow of the superpowers' arms race was voiced even louder.

In recent years, military confrontation between the East and the West decreased, and the cold war—with the arms race between the United States and the USSR as its core—has been collapsing day by day. Meanwhile, upheavals in the international situation have become even more conspicuous; the economic gap between poor and rich nations has further widened; contradictions between the South and North have intensified; and contradictions between different races, nations, and religious beliefs have exacerbated. International security

and peace still face grim challenges. The United States has proposed a "new international order," with the United States playing a leading role. The proposal caused several medium and small countries to be on guard. They maintained that a new international order should ensure the security of every member of the international community; that no superpower should be permitted to bully small and weak nations at will; and that all nations must take a more active part in arms reduction in order to establish a new international order which is just and reasonable, and in which peace and stability prevail, thus bringing about true world peace.

After the end of World War II, the superpowers and their allies were engaged in an arms race for nearly 50 years and accumulated an arsenal of nuclear and conventional weapons which are sufficient to destroy mankind several times over. Now, in the wake of changes in the international political climate, more and more countries in the world have been calling for large-scale arms reduction. Undoubtedly the call is conducive to the progress of arms reduction, but there are still a great number of problems on the table regarding the arms reduction talks. Because the actions of certain superpowers are not in keeping with their promises for a number of crucial issues on arms reduction, it is very hard to predict good progress for the world in the area of arms reduction in the near future.

During their debates at the present session of the UN General Assembly, a good number of representatives pointed out that the most fundamental step for the complete elimination of nuclear weapons is putting an end to all nuclear tests once and for all. They strongly asked the international community to take all necessary measures for concluding a treaty on complete prohibition of nuclear testing as quickly as possible.

At present, however, certain nuclear superpowers still refuse to stop their nuclear tests. They refuse to admit that a ban on underground nuclear tests is an important measure for perfecting treaties partially banning nuclear testing. This year, the United States—the world's number one nuclear superpower—made a statement that nuclear deterrence is still the "basis" for the collective defense of itself and its allies. At a debate in the UN General Assembly, the U.S. representative also expressed that "only when the United States and its allies no longer need to depend on nuclear deterrence for protection of international security and stability" will the United States agree to sign a treaty completely prohibiting nuclear testing.

At present, the representatives of many countries maintain that, as long as the nuclear superpowers refuse to assume their special responsibility for nuclear arms reduction, a complete ban on nuclear testing is nothing but a fantasy conjured up by the international community's own wishful thinking.

Another relatively important step the present session of the UN General Assembly took on arms reduction was

its decision—for the first time—to work for concluding a convention on banning chemical weapons in 1992. This year the talks on the convention have already made progress and are now entering a crucial phase, though there are still some important problems awaiting solution. One of them is the extremely sensitive issue of inspection. Many countries are worried that, if the issue is not properly handled, it will be hard to avoid, resulting in interference with the normal development of a country's chemical industry for civil use while inspections of activities in violation of the international convention are being conducted. During talks regarding the convention, developing countries requested protection of their national right to promote development of their own chemical industry while fulfilling their obligations and promises stipulated in the convention.

The issue of transparency of armaments was another important item on the agenda for debate at the present session of the UN General Assembly. The UN Secretary General suggested establishing a system under the auspices of the United Nations for registering arms transfers which would apply to every member of the international community without discrimination. Twelve nations in Western Europe and Japan jointly made a proposal on "transparency of armaments," maintaining that transparency and openness could prevent accumulation of conventional weapons that "disrupt stability." Therefore, establishing such a system for registering arms transfers will be conducive to multilateral arms control and the efforts to accelerate arms reduction.

Some medium- and small-sized countries maintained that the system for registering arms transfer and transparency of arms sales will help eliminate doubts and fears and will prevent some countries from possessing more weapons than are needed for self-defense. They were worried, however, that, while some countries that import weapons for self-defense make public the types, models, quality, and quantity of their weapons, other countries are permitted to mass produce, renew, and equip themselves with all kinds of weapons in secret. These concerned countries pointed out that it would be absolutely unfair and discriminatory if such a situation were to occur. In his speech, the Cuban representative condemned certain countries for dumping arms and transferring arms production know-how abroad, wasting large amounts of resources and causing deaths and injuries to a large number of people; violating the sovereignty and territorial integrity of other countries; stirring up enmity between countries; and causing mutual slaughter while at the same time volunteering to be a "vanguard" for implementation of the system for registering arms transfers.

Therefore, during discussion of the issue of transparency, representatives at the UN General Assembly had to define the armament needed by every country for defending the security of its territory, and furthermore include the issues of arms production and storage, transfer of arms together along with their technologies, and so forth. In short, if the international community



wants to really give due play to the role of transparency of armaments, it must ensure that the system applies to every member, is not discriminatory, and respects the principle of voluntary participation by every country.

#### **Culture Society Seminar Views East-West Ties**

*OW1712011091 Beijing XINHUA in English  
1426 GMT 16 Dec 91*

[Text] Beijing, December 16 (XINHUA)—A Chinese expert on modern culture said here today that no country can afford to divert from its own culture when assimilating the fine cultural heritage of other countries.

Speaking at a workshop on the East-West cultural relations, President of Chinese Society of Modern Culture Ding Shouhe noted that people should have a thorough knowledge of the condition and cultural heritage of their own country before they are capable of analysing and sorting foreign culture and really know what to take in.

"This can ensure that fine foreign cultural heritage will grow, blossom and bear fruit in the trunk of the national cultural," said Ding.

This does not mean to keep the foreign culture out of the door, he said. On the contrary, a developed and prosperous nation is often the one that knows how to absorb the cream of the other countries in cultural exchanges. He added that cultural isolation can only lead to backwardness and the nation will end up being at a low ebb.

"We are only against indiscriminately copying the other countries, or playing the ape," stressed Ding.

The seminar are attended by more than 100 scholars and experts from eight countries including the United States, Japan, Germany, Australia and Poland. At the three-day seminar they will discuss and exchange their views on such topics as the characteristics of the East and West culture, the differences and relationships of the East and West culture, and the development and characteristics of the modern Chinese culture.

#### **'Year-End' Reviews Global Economic Competition**

*OW1412113791 Beijing XINHUA in English  
1022 GMT 14 Dec 91*

["Year-End" feature by Li Changjiu: "World Economic Imbalance and Competition Grow in 1991"]

[Text] Beijing, December 14 (XINHUA)—World economic growth has continued to slow down in 1991 with development imbalance further sharpened among regions and competition considerably intensified in the economic, scientific and technological fields.

The world economic growth rate, which declined to 1.8 percent last year, is estimated at around one percent this year, and what is worth noting in particular is the serious imbalance across the world.

Statistics showed that the United States is to post a negative growth of 0.5 percent this year and the average economic growth of the 12-nation European Community is to reach 1.25 percent with Britain down 2.25 percent, France up 1.5 percent and Germany up more than three percent.

Japan's economy, after a 5.7 percent growth last year, is expected to register an increase of over 3.5 percent, topping the other leading developed countries.

The economic performance of the Soviet Union and the East European countries has worsened drastically and their share in the world economy attenuated sharply.

According to figures and estimates compiled by the Soviet Government, the country's industrial production is to slump by seven percent this year. Its oil output could fall to 507 million tons from 575 million tons last year.

In addition, the Soviet Union is facing serious food shortage this winter. Agricultural production in the country is forecast to decline by nine percent, or a decrease of 58 million tons of grain from last year.

The Soviet budget deficit is projected to reach as high as 300 billion roubles this year, five times that of last year.

A report released by the United Nations Conference on Trade and Development said that the production and export volume of the East European countries will dwindle by 8.9 and 10 percent respectively this year and will not possibly pick up before long.

World Bank estimates put the overall growth of the developing world at only 2.5 percent with the following breakdown: Asia four percent, Latin America 1.2 percent, Africa 3.2 percent and the Middle East a negative four percent.

Most of the developing countries will have a hard time next year in adjusting their economic structure and developing their economies due to heavy debt burdens, deteriorating trade terms, fund shortages and big population growths.

The uneven economic development has greatly increased competition and frictions in the economic area.

—Many countries have focused in building up their overall national strength which mainly consists of their economic, scientific and military muscles. In the present-day world, economic competition between countries is increasingly becoming one between the scientific and technological achievements materialized in the products they turn out.

To speed up scientific and technological progress, some countries have improved the macro-management and coordination of scientific and technological development, working out mid-term and long-term strategies and identifying major objectives. Measures have also been taken to increase investment in research and development, revitalize education, and establish or improve high-tech development zones.

Scientists have predicted that there will be major breakthroughs in the 1990's in the areas of micro-electronics, new material science, new energy sources, and biological engineering, which will generate tremendous impact on the expansion of the world economy as well as on the overall strength of different countries.

—Many countries have used every possible means to seize and enlarge their overseas markets. Multinational companies have become more and more active since the late 1980s.

Direct foreign investment, increasing at an annual rate of 29 percent, has now exceeded 1,500 billion U.S. dollars in the aggregate, 85 percent of the whole was made by multinational companies.

Multinational companies have now infiltrated into every part and every industry of the world through purchase of other firms, establishment of joint ventures and association and cooperation among themselves.

At present, multinational companies already account for 50 percent of the total output value of the capitalist world, and their trade volume occupies 50 percent of the world's total. Thus, for some countries multinational companies have become the crusade for market expansion abroad.

—A regional cooperation has been enhanced as the process of regionalization and grouping has been greatly accelerated since mid- 1980s.

The European Community will establish a unified internal market by the end of 1992 to ensure a free flow of commodities, capital, service and personnel within the area.

The agreement on free trade between the United States and Canada has been in effect since 1989 and Mexico is discussing with the United States and Canada on its entry into the proposed North American free trade zone.

Progress has also been made in economic cooperation in the Asia-Pacific area, presenting regional distinctive features. The People's Republic of China, China's Taipei and Hongkong attended the third ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) held in Seoul in November. The APEC membership has expanded from 12 to 15 since then, signifying broadening economic cooperation in the Asia-Pacific region.

As inter-dependence and mutual competition are growing in the world economy, regionalization and grouping cannot possibly be totally exclusive. Nevertheless, such a process mainly serves the interests of economic cooperation and mutual support among the countries within the region.

It is precisely for this reason that countries in different regions have been trying to forge closer regional economic cooperation as a means to boost their individual economic growth and their competitive power.

### Official Says Drug Addiction 'Serious' in South

HK1312025391 Hong Kong THE STANDARD  
in English 13 Dec 91 p A-8

[By S. L. Law]

[Text] China has a lot to learn from Hong Kong about drug control and addict rehabilitation, said an official responsible for formulating drug administration policy in China.

"China has been a drug-free country for more than 30 years. Drug rehabilitation and control is basically something new to us," said Wang Zhiqing, chief of the Drug Administration and Policy Bureau under the Ministry of Public Health.

"As we are inexperienced in almost every aspect of the matter, there is much to be learned from Hong Kong concerning therapy, precaution, as well as equipment," he said.

Mr Wang is in Hong Kong with nine other China drug experts to attend a China-Hong Kong-Macao drug control conference.

After attending two days of the five-day conference, the delegation has been impressed by the facilities for drug control in Hong Kong.

"We are astonished by the convenient locations of the rehabilitation centres here. Many of them are among residential areas where patients can feel part of the community," Mr Wang said.

"Though we also aim at setting up rehabilitation centres in residential areas, we still have a long way to go. China is just a beginner in rehabilitation work.

"At present, most of the centres are affiliated with mental hospitals because addiction is a psychological problem," he said.

Mr Wang said drug administration was best developed in Beijing but is most frequently applied in the southwestern province of Yunnan.

"Beijing is the heart of government administration, where most research and studies concerning drug control are conducted. But the drug problem there is almost non-existent.

"It is in Yunnan province where most rehabilitation centres have been set up."

Apart from the Ministry of Public Health, the provincial public security and civil affairs bureaus have also set up rehabilitation centres.

"In Yunnan alone, our ministry has set up three centres and there are others run by public security and civil affairs bureaus," Mr Wang said.

He said it was difficult to work out the number of drug addicts and rehabilitation centres in China because of the size of the country.

Brushing aside the image of a drug-tainted China, Mr Wang said: "Drug addiction is serious only in the southern provinces bordering the Golden Triangle, the rest of the country is basically clean."

He also said it was almost impossible to curb trafficking activities along the border.

"China shares a very long border with Thailand and Burma, which is difficult to guard," Mr Wang said.

He said China had held talks with Thailand and Burma on curbing trafficking.

"But I am not sure how far they have gone," he said.

China's southern provinces—Yunnan, Guizhou and Guangdong—have become popular heroin trafficking points since the early '80s after Thailand and Malaysia entered into co-operation to curb trafficking.

### United States & Canada

#### Ministry Criticizes U.S. for 'Further Pressure'

OW1812101991 Beijing XINHUA in English  
1004 GMT 18 Dec 91

[Text] Beijing, December 18 (XINHUA)—China hopes that the United States will conduct negotiations with a sincere and co-operative attitude, as China has, a spokesman for the Chinese Ministry of Foreign Economic Relations and Trade said here today.

He made the statement while commenting on the U.S. trade representative announcement that January 16 should be the final date for Sino-U.S. negotiations on intellectual property rights. If both sides fail to reach agreement before that date, the U.S. Customs will soon impose high tariffs on some of China's exports to the United States, according to the U.S. announcement. "We believe that this announcement is an expression to exert further pressure upon China," he said.

As China and the United States have already agreed that the next round of negotiations will be conducted December 21, he went on, such an announcement will certainly have a harmful effect on the forth-coming negotiations.

He said that China holds that both governments should, with an attitude of settling the problem in a reasonable way, continue equal, practical and earnest negotiations on intellectual property rights and do their best to reach an agreement satisfactory to both sides.

It must be noted, he said, that any unilateral measure of retaliation will do harm to both China and the United States.

"Therefore, we hope that the United States will conduct negotiations with an earnest and co-operative attitude, as China has, and refrain from exerting any harmful influence on the negotiations by taking such negative measures as trade retaliation," the spokesman noted.

#### White House Acknowledges Continuing Recession

OW1812011691 Beijing XINHUA in English  
2044 GMT 17 Dec 91

[Text] Washington, December 17 (XINHUA)—The Bush administration acknowledged today the country remains mired in recession as President Bush is facing the lowest popularity rating of his presidency.

White House Spokesman Marlin Fitzwater told reporters that the President views "as a barometer of national economic concern" that WASHINGTON POST-ABC news poll Tuesday showing that his approval rating has dropped to 47 percent, the lowest level of his presidency.

The nose dive in his polls, down from a high in the 80s in the aftermath of the Gulf war, is attributed to widespread disapproval of the way he is handling the economy.

Nearly nine in 10 persons surveyed called the economy 'not so good' or 'poor.'

While Bush has said repeatedly that the U.S. economy is technically out of recession, Fitzwater retreated from that language today, saying: "For all practical purposes, the recession continues." "The people of this country know that the economy is in trouble. It doesn't make any sense to try to play games," Fitzwater said.

"For the country as a whole the recession is going on," he told reporters.

#### Editorial Assesses Bush's Economic 'Tactics'

HK1712092491 Hong Kong WEN WEI PO  
in Chinese 16 Dec 91 p 2

[Editorial: "Bush's Economic Tactics"]

[Text] In March, George Bush had a 91 percent approval rating from the American people; at the end of November, he had only 46 percent.

When explaining this phenomenon, U.S. Secretary of State James Baker said isolationism has resurged among the American people, who thought their President should use his time to handle internal affairs and satisfy the American people's wishes rather than stick his nose in other people's business and spend money on international affairs. Baker said that isolationism is wrong and that the United States will still pay attention to the changes in the Soviet Union and East Europe, promote the Middle East peace conference, and develop free trade relations around the world.

People are pessimistic about the future of the U.S. economy. Surveys by chambers of commerce have indicated that the consumers' confidence index has dropped



to its lowest point since May 1980. The U.S. Senate has already decided to allocate more funds to expand unemployment security and to adopt financial measures to tackle the recession. The House has already decided to inject \$70 billion to the Bank Insurance Fund, to save banks from crises.

But Bush is still optimistic about the economic prospects, and he claims that the economy will improve by January; he has a series of measures to rescue the economy, and he will not announce them unless necessary. A cut in interest rates and taxes can more rapidly stimulate economic recovery, but it would result in a new round of inflation, and this would reduce the country's ability to sell goods overseas. This would mean an unfavorable position for the United States in its economic competition with West Europe and Japan. On the eve of economic recovery, one can easily make stupid and wrong decisions. Distributing bank notes to voters can only lead to worse economic consequences.

When asked about the U.S. economic trend, 74 percent in a poll said it was "very bad." The U.S. Department of Commerce index also indicated a sluggish August, a 0.1 percent decrease in September, and a slight increase of 0.1 percent in October. But the purchase index, which reflects the manufacturing sector, decreased 3.5 percent in November, and this shows a standstill in U.S. industrial growth. The fourth quarter might witness a negative growth. In early December, Bush had no choice but to adopt a new tone to point out that "the country's economy is in a difficult period," and that "the government understands that some Americans are leading a very, very difficult life." This was a change in tone, and before this the authorities had often boasted about the would-be economic growth, but their own statistics kept making them slap their own faces.

It seems that Bush has already made up his mind to propose an economic action plan in his January 1992 State of the Union address. It is estimated that the plan will follow Reagan's old method—encouraging Americans to consume, cut interest rates, reduce taxes, and increase public expenditures. Bush will reorganize his cabinet and use new people to promote his new plan.

However, real estate agents and manufacturers think that it will be too late to take measures in January, that consumption should be encouraged during the Christmas season, and that the first thing to do is to reduce interest rates. But Bush wants to allow the economy to regulate itself naturally, and does not want to hastily and prematurely intervene. He said: "We will not do any stupid things." He still stressed "pushing the economy forward with independent steps," and "creating job opportunities in overseas markets for American workers."

It seems that Sununu's suggestion that Bush should postpone his visit to Asia is a mistake amid the mess; if Bush had visited Asia earlier, the export situation would have become better. Bush will also use the public grievances over the economic recession to strike back against

Congress; he has accused Congress of hindering his plan to cut taxes and carry out bank reform, causing the recession. In January, Bush will strike back along two lines, that is, he will exert pressure on the trade partners in Asia on the one hand, and on the Democrats in Congress, on the other.

Reducing taxes and interest rates will probably lead to a bigger impasse, however. When Reagan cut taxes, the rich were the first to benefit, and, if Bush follows suit, he will only make the middle and lower classes more resentful about his policy of robbing the poor to benefit the rich, while the Democrats are even more opposed to his tax reduction plan. The Democrats will suggest reducing the deficit by further cutting military expenditures in light of the Soviet Union's disintegration—but how could Bush allow the military industries to receive fewer orders?

Nevertheless, tax reduction will increase the deficit, and the United States will have more internal debts, while the interest rate on the bond market will increase. Congress is a tremendous hindrance to the Bush administration. If Bush wants to push through his economic plan, he must also accept some tax reductions or tax increase plans proposed by the Democrats as a deal, which will be a big discount on the effect of his plan to stimulate the economy.

The biggest crux of the U.S. economy is over-consumption in the 1980's. Citizens have overdrawn from the future and have a debt burden which is too big for them; they are worrying about debts and installment payments, and have no more money for consumption, to the extent that the manufacturing and real estate sectors are not operating to their fullest capacity. Eating tomorrow's grain to stave off hunger today may not work again.

#### Shanghai Airlines To Buy Five Boeing 757's

OW1612142991 Beijing XINHUA in English  
1406 GMT 16 Dec 91

[Text] Shanghai, December 16 (XINHUA)—Shanghai Airlines has entered into a contract here today with the Boeing Commercial Aircraft Group from the United States to buy five Boeing 757s for a total cost of 275 million U.S. dollars.

The five planes, which are required to be designed with a capacity of 200 passengers, will be delivered beginning in the summer of 1993.

Founded in 1985, Shanghai Airlines is the first locally owned airline in the country. It has developed 12 domestic routes and flies 90 flights per week.

It owns three Boeing 757 passenger planes at present.

## Soviet Union

**RENMIN RIBAO Views Soviet 'Commonwealth'***HK1712145391 Beijing RENMIN RIBAO in Chinese  
13 Dec 91 p 7*

["Roundup" by Dan Lin (0030 2651): "Minsk Agreement and Reaction From Various Sides"]

[Text] The leaders of Belarus, Russia, and Ukraine signed an agreement on forming a commonwealth of independent states in the Belarus capital of Minsk on 8 December, and issued a statement on this. The leaders of the three initiator republics, who also signed the 1922 Union treaty, pointed out in the statement: Because the talks on drafting a new Union treaty had already reached a dead end, the withdrawal of various republics from the Soviet Union, and the process of founding independent states having become a reality," and announced that "the Soviet Union as the subject and geopolitical reality in international law has ceased to exist"; "effective from the day of the agreement's initialing, the activities of various organs of the former union should be brought to an end." The agreement stipulates that the existing boundaries within the commonwealth's realm is inviolable. The three leaders pledged to insure the implementation of the international obligations stipulated in the treaties and accords signed by the USSR and decided to maintain unified command of common military strategic air space, to practice unified control of nuclear weapons, and so forth.

It was reported that the Ukrainian and Belarus Parliaments approved the agreement with majority votes on 10 December. The Minsk Agreement was another incident that has roused strong repercussions inside and outside the USSR in the wake of Ukrainian independence decided by a whole-people ballot. First, it started a new round of arguments inside Soviet political circles. According to a TASS report, the Soviet president issued a statement. While acknowledging that the agreement on forming a new commonwealth did have some "positive moments," he emphatically pointed out, "the statement to terminate the effectiveness of the USSR legal criteria is illegal as well as dangerous." He said, "under the present circumstances, it is necessary to call sessions of the supreme soviet of various republics as well as of the USSR to consider whether or not the commonwealth plan should supplant the new union treaty of sovereign states." He advocated calling a session of the Congress of People's Deputies, and did not rule out the possibility of conducting a whole-people ballot. The Soviet of the Union chairman believed that the agreement "spells out the obvious goal to abolish the former union and its organs," and would exert far-reaching effects on political development in various republics in consequence. The Soviet president's assistant stated that should the agreement be effective, the president and his cabinet would possibly resign. Expounding Russia's position, its first vice premier said: The agreement in question "does not run counter to the Constitution," nor should it be

regarded as a "coup." He believed that the proposal to call an extraordinary session of the Congress of People's Deputies would only rouse antagonism. In addition, he disclosed, the Russian president was meeting important military people to win military support of the agreement.

The Kazakh president expressed "regret" that the three republics had announced disbanding Soviet organs without consulting with other republics; he announced that the Kazakh Parliament would discuss the issue of forming a new union of sovereign states as planned. The Armenian president expressed "full support" for the agreement. Other republics were rather meticulous in expressing their positions. The attitude of various political parties varied with regards to the agreement, some were for the agreement, others were for the draft treaty; some people of the political circles leaned toward the agreement, while expressing resentment to the fact that "in finding a solution to the union's fate, some republics were ignored." According to a RATAU (UKRAINIAN TELEGRAPH AGENCY) report, the United States and Canada were happy about the forming of a commonwealth. A REUTER dispatch from Washington said, upon learning the news, U.S. Secretary of State Baker said: "the Soviet Union as we have known it no longer exists. It is far from clear what will replace the old Soviet Union. He warned that the process of the Soviet Union's disintegration has reached a limit beyond which it risks becoming dangerous, with the possibility of involving nuclear weapons in a civil war. It was reported that Baker was to visit the USSR to hold talks with relevant sides. The White House press secretary stated that the United States was ready to cooperate with a union in whatever form. The EEC issued a statement expressing its readiness to talk with the commonwealth of independent states, while appealing to the various sides in the Soviet crisis to conduct "constructive talks" to tide over the transitional period in "a democratic and orderly way." European public opinion shows universal anxiety for possible turmoil in the Soviet Union.

**Six More Republics To Sign Commonwealth Pact***OW1812063491 Beijing XINHUA in English  
0453 GMT 18 Dec 91*

[Text] Moscow, December 17 (XINHUA)—Armenia and five Central Asian republics will sign on December 21 the agreement on the Commonwealth of Independent States formed by the three Slavic republics of (Belarus, Ukraine, and Russia.) The five Central Asian would-be members of the Commonwealth are Uzbekistan, Tajikistan, Kyrgyzstan, Turkmenistan and Kazakhstan.

Russian President Boris Yeltsin made the announcement after his talks with Soviet President Mikhail Gorbachev on the Commonwealth in the Kremlin today, the RUSSIAN INFORMATION AGENCY reported.

Yeltsin said leaders of the above-mentioned nine republics would meet in the Kazakhstan capital of Alma-Ata on December 21.

Besides signing the Commonwealth pact, they would also decide who would be the commander-in-chief of the joint armed forces of the Commonwealth, he said, adding that the candidate would be an armyman.

He hinted Soviet Defense Minister Yevgeniy Shaposhnikov would also attend the meeting.

Meanwhile, informed sources here said the Soviet national flag over the Kremlin would be lowered on New Year's Eve, and all the properties of the Kremlin and the Soviet state bank would be taken over by Russian Federation.

### Gorbachev, Yeltsin Agree on Transition Date

OW1812011791 Beijing XINHUA in English  
2024 GMT 17 Dec 91

[Text] Moscow, December 17 (XINHUA)—Soviet President Mikhail Gorbachev and Russian Federation President Boris Yeltsin today agreed that the process of transition of the union structures into a new quality should be completed by the end of the year.

The official TASS news agency reported today that the two presidents discussed the results of their talks with U.S. Secretary of State James Baker, who paid a four-day working visit to the Soviet Union on December 15, and the ways to form a Commonwealth of Independent States as well as the forthcoming meeting between heads of independent states in Alma-Ata scheduled for December 21.

All union structures will have to cease to operate by the end of this passing year, saying that part of them will come under the jurisdiction of Russia while other structures will be abolished.

### Northeast Asia

#### 'Roundup' on Developments in DPRK-ROK Ties

OW1512024191 Beijing XINHUA Domestic Service in Chinese 0558 GMT 14 Dec 91

["Roundup: Inter-Korean Relations Achieve a Breakthrough (By reporter Gao Haorong (7559 3185 2837))"—XINHUA headline]

[Text] Pyongyang, 13 December (XINHUA)—At the third round of the fifth high-level talks held in Seoul today, the two Koreas signed an "Agreement on Reconciliation, Non-Aggression, Exchange, and Cooperation" which has important significance.

This is the first important agreement achieved between the two sides since the "July 4 North-South Joint Communiqué" which expounded on the three principles for national reunification issued in 1972 and since the first framework agreement signed in 46 years of separation. Yon Hyong-muk, DPRK premier, called the agreement a "programmatic document," whereas Prime Minister Chon Won-sik of the ROK said that the high-level talks

had accomplished "an outstanding achievement." This clearly shows that both Koreas have achieved a breakthrough in their relations.

The North and South had agreed to sign the "Agreement on Reconciliation, Non-Aggression, Exchange, and Cooperation" in October during the fourth high-level talks. The signing of this agreement less than two months later is beyond expectation, but reasonable.

First, this is a result of the continuous alleviation of the situation on the Korean peninsula. Although North-South high-ranking talks were suspended once, exchanges and contacts in various forms and through various channels—in culture and sports, and among students, women, and parliamentarians—have made progress since the beginning of this year, and have formed a turbulent and warm current for alleviation. In addition, a strong call from the international community for easing the current situation and for peaceful reunification on the Korean peninsula, the simultaneous entry into the UN by both the North and South, and their respective improvement in relations with countries which did not maintain close ties with them in the past have all had a positive impact on the emergence of this warm current.

Second, the agreement achieved during this round of talks is an extension and continuation of the past North-South dialogues and contacts. Since 1984, the North and South have held a series of talks on the economy, exchanges between their parliaments and Red Cross Societies, and talks of a high-ranking political and military nature. Last year they also held three premier-level talks and put forward many programs and proposals on the issues of achieving reconciliation, non-aggression, exchange, and cooperation. This allowed both sides to have a better understanding of each other's stand and attitude. Therefore, under the general trend of alleviation, there is a certain foundation for achieving this agreement. Both sides have decided to hold the sixth high-level talks next February. The newly achieved agreement will undoubtedly be a good foundation for them to continue dialogue and contacts in various fields.

Third, both the North and South have exercised flexibility and made concessions during the talks, and have reached a consensus for signing a package agreement. During the fifth round of talks they exercised mutual understanding and accommodation; emphasized alleviation and the realization of national reunification at an early date; avoided quibbling over and being inflexible on the issues of setting up liaison offices, building up confidence on military issues and disarmament, transforming the armistice agreement to a peace agreement, the status of the agreement, and others; and therefore created a good atmosphere and condition for achieving a breakthrough in the talks.

As to the nuclear issue on the Korean peninsula, before the opening of the talks both sides respectively issued a statement and a declaration similar in content on



making the peninsula a nuclear-free zone. During the talks, both sides decided to have their representatives meet within the year to discuss this issue so as to narrow the differences and reach unanimity as soon as possible. It will have a positive impact on further alleviating the situation on the Korean peninsula once both sides reach an agreement on the nuclear issue.

The breakthrough achieved in inter-Korean relations has inspired those who care about situations in the Korean peninsula and Asia. However, it still requires the continuous efforts of both sides and the support and help of the international community to turn what was settled in the document into reality.

### Southeast Asia & Pacific

#### Spokesman Announces Qian To Visit Cambodia

OW1812095691 Beijing XINHUA in English  
0930 GMT 18 Dec 91

[Text] Beijing, December 18 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen will pay a visit to Cambodia from December 27 to 28 at the invitation of Chairman of the Supreme National Council of Cambodia Prince Norodom Sihanouk.

This was announced here today by a spokesman of the Chinese Foreign Ministry.

#### Guangxi Port Cities on Vietnam Border Opened

HK1612151391 Hong Kong WEN WEI PO  
in Chinese 7 Dec 91 p 2

[By staff reporter Chung Wen-i (6988 5113 0001) and special correspondent Li Hai (6849 3189): "Guangxi Autonomous Government Chairman Discloses China, Vietnam Decide To Open 21 Trading Spots"]

[Text] Nanning, 6 Dec—The normalization of Sino-Vietnamese relations is without doubt an event of profound significance for Guangxi, a province adjoining Vietnam. The cessation of war and resumption of peace in border areas has opened broad prospects for Guangxi's development and opening up to the outside world. Yesterday, Cheng Kejie, Guangxi Zhuang Autonomous Regional People's Government chairman, and Chen Ren, person in charge of foreign trade and opening up affairs, gave a special interview to correspondents of this paper, during which they disclosed the concept of expediting opening up Guangxi to the outside world under the new international environment.

According to their revelations, the provisional agreement on bilateral border affairs signed by a high-ranking Vietnamese delegation during its visit to China, states that 21 trading ports along the Sino-Vietnamese border are to be gradually opened, including 17 ports in Guangxi; and state-level ports will be constructed in Pingxiang and Dongxing. To facilitate economic and trade exchanges between China and Vietnam in the wake

of normalization, concerned departments are working for passenger ferry services between Fangcheng and Haiphong, the repair of the Sino-Vietnamese international railway transport line, and the re-opening of the Vietnam Consulate in Nanning.

#### Guangxi and Vietnamese Economies Complement Each Other; Both To Boost Port Management; Border Trade Will Feature Mainly Trade Fairs Between Border Populations

They also stated that given Vietnam's present economic development level, there is a great deal of economic complements between Vietnam and Guangxi. The two can further develop economic and technological cooperation and, in the future, there will be more official visits to enhance mutual understanding. At Vietnam's invitation, Cheng Kejie will visit Vietnam as head of a delegation and sign a number of cooperation agreements with Vietnam.

They also revealed that Guangxi has expressly designated the two border areas of Pingxiang and Dongxing as "windows" opened to the outside world. Guangxi is also thinking of marking off in this area a zone to be developed into a "border economic development zone," and drafting preferential policies to encourage foreign investment in production of products oriented toward the Southeast Asian markets, with the aims of speedily invigorating the border economies and establishing a favorable situation where Guangxi and Southeast Asia—particularly the Indochina peninsula—complement each other with their own advantages, and hence prosper together.

Cheng Kejie and Chen Ren stated that developing border trade is a big agenda in Guangxi's plan to boost opening up to the outside world. Border trade before Sino-Vietnamese relations were normalized was pursued under abnormal circumstances and chiefly featured trade fairs between border populations. As Sino-Vietnamese relations normalize, both countries want to set up border ports and customs offices to make sure that personnel and goods flows across the border go through proper procedures. For this reason, Guangzhou is planning to call a meeting in the near future to discuss and lay down guidelines for policies and measures for developing border trade.

Cheng Kejie said, the central authorities have agreed, in principle, to offer preferences to border trade. Concerned departments will conduct field studies with a view to formulating specific policies. Border regions now remain poor. There should be preferences for border trade so that border populations can recuperate and build their homes again.

But he also believes that while border trade is to prosper, order should not be disrupted; in particular, border trade should not be used as a channel for smuggling or trafficking of drugs and firearms. Earlier, Guangxi had reached consensus with Vietnam's Caobang, Langson, and Quangninh Provinces and Haiphong city that there will be common efforts to make sure that border trade is

conducted in a relatively safe, stable, and normal environment. Apart from this, state-run firms' border trade arms will come under strict control. Not all state-run firms can participate in border trade; and not all goods can be traded.

#### **Vietnamese Delegation Attends Hainan Trade Fair**

*HK1312034391 Haikou Hainan People's Radio  
Network in Mandarin 2300 GMT 9 Dec 91*

[Excerpts] On the morning of 8 December, Vice Governor Mao Zhijun met with a Vietnamese Social and Economic Development Group of Companies [VSEDCG] delegation, which had come to participate in a trade fair, and held thorough talks on initiating economic and trade contacts between Hainan and Vietnam. After the talks ended, station reporter (Li Xiaoqing) interviewed Vice Governor Mao Zhijun; (Nguyen Tan Cang), VSEDCG general manager; and (Tran Si Thanh), VSEDCG deputy general manager at the trade fair.

This reporter first interviewed Deputy General Manager (Tran Si Thanh). He answered in fluent Chinese.

[Begin recording] Reporter: When did you arrive in Hainan?

(Tran): We arrived 3 December.

(Li): Have you come here especially for the trade fair?

(Tran): We have come here mainly to participate in the trade fair. Then, we will visit other units. We are going to talk about things regarding trade and economic cooperation.

(Li): How do you feel after participating the trade fair?

(Tran): After visiting the Hainan exhibition, we feel that Hainan's economy is booming and that this is favorable to economic cooperation with Vietnam. We think that the new pattern of China's Hainan Province will play a positive role in Vietnam. At the exhibition, we saw a lot of goods, from which I think Hainan's economy, geographical setting, and other points are very similar to Vietnam's. Therefore, we have many advantages with respect to our cooperation with Hainan. [end recording]

With the help of an interpreter, General Manager (Nguyen Tan Cang) briefed the reporter on his company's standing. He said: The company is a comparatively large state-run company directly under the Vietnamese Council of Ministers. It has 15 branches in Vietnam as well as overseas companies and offices.

[Begin recording] (Li): Have you confirmed any cooperation items, which are comparatively concrete, or have you made any trade deals after visiting the Hainan exhibition?

(Nguyen): At the trade fair, we further confirmed trade cooperation with the (Xinnan) and (Guanya) Companies. Moreover, by participating in the Chinese trade fair, we have acquired a better, comprehensive understanding of the current situation of Hainan's economic

development. By participating in the trade fair, our determination to cooperate with Hainan has further been strengthened. We signed with China's (Xinnan) Group an agreement on joint investment in Vietnam to set up a factory producing coconut milk. We also signed an agreement on developing tourism resources of both sides. We also signed some agreements with China's (Xinnan) and (Guanya) Companies regarding barter trade between the two sides. Vietnamese coal and rubber will be supplied to Hainan. Our various investment projects will entail an investment of approximately \$20 million. Hainan and Vietnam have much common ground with respect to their industrial structures and product mixes. There are a lot of similarities in our markets. Now we very much wish to establish and develop these kinds of cooperation relations. Our delegation has studied Hainan's investment policy, and we feel that China's investment policy, especially that of Hainan, is comparatively preferential. We feel that Hainan's investment policy is very open and convenient. [end recording]

At the trade fair, the reporter interviewed Vice Governor Mao Zhijun to enquire about how the trade talks between the two sides turned out. [passage omitted]

Mao said:

[Begin recording] During the trade fair, we held talks with them twice. Moreover, during the trade fair, we held special meetings to further study stepping up development of economic and trade cooperation and relations with Vietnam. At today's talks, we reached a consensus; namely, it is necessary to do four things: First, in the first quarter, Hainan Province is to set up a delegation consisting of government officials and entrepreneurs and then send it on an investigation tour to Vietnam, to mainly study questions regarding the development of economy and trade. Second, while the delegation is visiting Vietnam, we will hold a small trade fair in Ho Chi Minh City at which we may make deals based on samples. Third, we have decided that both sides will do the best we can to resume our charter flight and shipping services as soon as possible. We have already officially notified Vietnam that our four ports can be opened to it. This has drawn a great deal of their attention. And fourth, we will ask trade departments to set up an office in Ho Chi Minh City. Both sides have already agreed to these four things. Therefore, it seems that we are making very good progress. [end recording]

#### **Near East & South Asia**

##### **Iranian Parliament Speaker Continues Visit**

###### **Discusses Ties With Qian Qichen**

*LD1712172591 Tehran IRIB Television First Program  
Network in Persian 1530 GMT 17 Dec 91*

[Text] In his meeting this afternoon with Mr. Qian Qichen, foreign minister of China, Mr. Karrubi, speaker

of the Iranian Majles, discussed the Islamic Republic of Iran's foreign policy and said that it was based on non-interference in other countries' affairs as well as on expansion and strengthening of ties on the basis of mutual respect. He went on to say: Cooperation among independent and revolutionary countries will lead to the decline of U.S. domination over the world.

Referring to the issue of Palestine, he said: Through its support for the Zionist regime, the United States is responsible for the continuing crisis in the region. Any solution to the problem of the Middle East is fully dependent on the solution of the problem of Palestine and the restoration of the rights of that country's Muslim people.

In his remarks, the Chinese foreign minister praised the Islamic Republic of Iran's foreign policy in confronting world issues, and said: The People's Republic of China also believes that restoring the Palestinian people's rights is one of the main ways of solving the Mideast problem.

He added: Because they have special positions in the Asian continent, Iran and China have an important and valuable role in achieving and maintaining peace and stability in that continent. China welcomes the expansion and strengthening of her ties with the Islamic Republic of Iran.

#### **Karrubi: U.S. Army Harms Stability**

*LD1712182391 Tehran IRNA in English  
1724 GMT 17 Dec 91*

[Text] Beijing, Dec. 17, IRNA—Speaker of the Islamic Consultative Assembly of Iran Hojjat ol-Eslam Mahdi Karrubi, now on an official visit to Beijing, reviewed Iran-China relations and regional and international developments with the Chinese Foreign Minister Qian Qichen today.

The Iranian official told the Chinese foreign minister that Iran's foreign policy is based on mutual respect to and non-interference in the internal affairs of all world countries. He added that Iran is anxious to develop relations with all world states except for the few which it has put on the black list.

Hojjat ol-Eslam Karrubi said Persian Gulf security can be maintained only by the involvement of all littoral states. He reminded that the physical presence of the American Army in the Persian Gulf will only create insecurity in the region.

On Palestine he said Iran advocates that any solution to the Middle East problem should be acceptable to the Muslim strugglers in Palestine, and that Palestinians should be allowed to return to their homeland.

Referring to developments in the Soviet Union he said that as far as Iran is concerned the Soviet Union should remain a stable country with good neighbourly relations between Tehran and Moscow.

Iran respects the people of the Soviet republics and under no circumstances will interfere in the internal developments, he added.

The Chinese foreign minister said in reply that China shares the same viewpoints on many major international and regional issues. He said peace and security will be maintained in the Persian Gulf with the collaboration of the littoral states.

Qian added that the situation in the Middle East will be solved only if the rights of the Palestinians are recognized.

Later today Hojjat ol-Eslam Karrubi conferred with the chairman of the Muslim Association of China, and also with representatives of the ulema in Beijing, and Muslim theological students.

Earlier this morning he also visited a section of the Great Wall of China.

The speaker of the Iranian Majlis arrived in Beijing on Monday.

#### **Meets Yang Shangkun**

*OW1812083691 Beijing XINHUA in English  
0816 GMT 18 Dec 91*

[Text] Beijing, December 18 (XINHUA)—Chinese President Yang Shangkun said here today that China hopes to build and maintain long-term friendly relations with Iran.

Yang made the remarks in his meeting with visiting Mehdi Karrubi, speaker of the Iranian Islamic Consultative Assembly (Majles), at the Great Hall of the People here this morning.

According to a Chinese official present at the meeting, Yang extended a warm welcome to Mehdi Karrubi, saying that he was pleased to meet him for the first time.

Top leaders of China and Iran often exchange visits, which enable the two sides to exchange views to deepen mutual understanding and friendship, Yang said, adding that the visit of the Iranian speaker would further promote bilateral relations.

The co-operation between the two countries in culture, economy and other areas is still of great potential, Yang said, and it is very good that friendship groups have been set up in both parliaments.

Mehdi Karrubi, who arrived here Monday morning at the invitation of China's National People's Congress (NPC), said he was pleased to meet Yang. He said he has brought with him the regards of the Iranian leaders and people to the Chinese leaders and people.

We are pleased to see that Iranian-Chinese relations have developed continuously for the past several years and such relations have great prospects, Mehdi Karrubi said.

He said that Iran hopes to strengthen co-operation with China in many fields.



Speaking of international issues, Yang said that the world situation is not tranquil and has changed greatly. He said that the old world structure has been broken and the world is developing toward multipolarization.

China understands that the world affairs should be determined by all countries, rather than by one or two big nations or by groups composed of several countries, Yang noted.

China firmly opposes power politics and hegemonism in world affairs, and understands that all countries are equal, no matter if they are big or small, strong or weak, rich or poor, he said, adding that no country should impose its own values on others.

China, like other developing countries, won't allow other countries to interfere in its internal affairs on various excuses, nor will it yield to foreign pressure in this regard, Yang said.

During the meeting, Yang also asked Mehdi Karrubi to convey his regards to Iranian leader Seyyed 'Ali Khamene'i and Iranian President 'Ali Akbar Hashemi-Rafsanjani.

Seypidin Aze, vice-chairman of the NPC Standing Committee, was present at the meeting.

#### **Yang Supports Iran's Gulf Stance**

*LD1812120691 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 1030 GMT 18 Dec 91*

[Text] Islamic Majles Speaker Mehdi Karrubi met with Chinese President Yang Shangkun this morning. At this meeting, which took place in the Great Hall of the People in Beijing, bilateral relations, international relations, and regional issues were reviewed.

The Chinese president said that his country desires a greater expansion of relations with the Islamic Republic of Iran. Regarding the situation in the region, notably after the Persian Gulf war, China's president declared: China considers that the role of the Islamic Republic of Iran in the Persian Gulf is very important, and it opposes any kind of presence by foreign forces in that region. He described the views of the two countries concerning the problem of the Middle East as very close. He said: From our point of view the Mideast problem will only be solved when Palestine's sovereignty is given official recognition.

At this meeting, the speaker of the Islamic Majles said that the recent trip to Iran by the Chinese president was a turning point in the relations of the two countries. He asserted: There are very suitable grounds for expanding bilateral relations. Mr. Karrubi described the Persian Gulf region as very sensitive and strategic and emphasized that the renewed presence of foreigners in the region after the occupation of Kuwait will lead to the disappearance of tranquillity in the region. The slightest tension in that region will have an impact on the entire world, he added.

He thanked the PRC for its principled stand during the imposed war. He then referred to the UN secretary general's announcement that the Iraqi regime was the aggressor in its war against Iran, and added: Iran requests China—as a permanent member of the Security Council—to put in more serious efforts toward the implementation of the rest of the clauses of Resolution 598.

#### **Karrubi Says Visit 'Complete Success'**

*OW1812115191 Beijing XINHUA in English 1132 GMT 18 Dec 91*

[Text] Beijing, December 18 (XINHUA)—Mehdi Karrubi, speaker of the Iranian Islamic Consultative Assembly, said here today that his current visit to China has been a "complete success" and he was satisfied with it.

At a press conference he gave here this afternoon, Mehdi Karrubi said that during the visit he had held "useful and constructive talks with Chinese leaders and exchanged views on the international and regional situations, as well as on bilateral relations. [no closing quotation marks as received]

He stated that Iran and China have many points in common and enjoy a friendly cooperative relationship in the political and economic fields.

The Iranian speaker is scheduled to leave Beijing Thursday for a tour of other parts of China.

#### **Iranian Calligraphy, Paintings Shown in Beijing**

*OW1612154791 Beijing XINHUA in English 1411 GMT 16 Dec 91*

[Text] Beijing, December 16 (XINHUA)—A calligraphy and painting exhibition of the Islamic Republic of Iran opened here today.

The first such exhibition in China, it displays about 100 calligraphic works and paintings.

The exhibition is co-sponsored by the nationalities palace of culture and the Iranian Embassy in Beijing.

Vice-Minister of the State Nationalities Affairs Commission Wen Jing, and President of Iran-China Friendship Association Asghar Zadeh were among those present at the opening ceremony.

#### **Indian Paper Interviews Li Peng 4 December**

*BK1612135591 Delhi THE HINDUSTAN TIMES in English 7 Dec 91 p 12*

["Text" of interview with Chinese Premier Li Peng by THE HINDUSTAN TIMES Editor H.K. Dua in Beijing on 4 December]

[Text] H.K. Dua: Mr Prime Minister, next week you are visiting Delhi and this is the first time in 31 years—and

after Zhou Enlai's visit—the Prime Minister of China will be visiting India. What do you really expect from this visit?

Mr Li Peng: I will be returning the 1988 visit to China by the late Prime Minister, Mr Rajiv Gandhi. I hope that during my visit I will have an extensive exchange of views with Prime Minister Narasimha Rao on the international situation and also on the issues concerning bilateral relations. I also hope to share my views with other political leaders and public figures of India to enhance our mutual understanding. One can contribute in this way to the further expansion of our relations.

Dua: Do you visualise major improvement in relations between India and China during your visit?

Li Peng: I think the fact of the visit itself demonstrates that substantial progress has been achieved in our bilateral relations. And because China and India are both developing countries in Asia and even throughout the world, I think the exchange of views between leaders of governments of the two largest developing countries on the international situation is of great significance. I think the visit will play a great role in improving the relations of our two countries and our two peoples and this will also exert a powerful influence on the situation in Asia and throughout the world.

Here I want to make one more point: That this time, we know that there were many issues of concern to the whole international community e.g. how to look at the attempts to establish the new international order. During the visit, we can exchange views on such international issues and also I think we can find common ground. For example we can also exchange views on other issues such as South-South cooperation, North-South dialogue. And then between China and India there are also some outstanding issues which we can discuss. I think this will mark another step in improving our relations.

As for the specific results from the visit, I think preparations have been made for the signing of several agreements, such as the agreements on the re-establishment of the Consulates General (in Bombay and Shanghai) and the Consular Convention and also agreements on the economic and trade affairs etc. If everything goes smoothly, we can sign these agreements. I think that will be a good step in our relations.

Dua: Mr Prime Minister, one of the most serious outstanding issues between the two countries has been the boundary dispute. It has been outstanding for a long long time. Are you going to discuss that with the Prime Minister, Mr P.V. Narasimha Rao, during this visit?

Li Peng: As a matter of fact, during the last visit to China by the later Prime Minister, Mr Rajiv Gandhi, we already covered this issue in our talks and by then we had already reached agreement on the resumption of border negotiations. And all these past years, such negotiations and talks have gone through many rounds.

After the meetings and negotiations that have taken place during the past years, the two sides have acquired a better understanding of the positions of the other side and, what is more, for some time we have been able to maintain tranquillity along the border between our two countries and we are most pleased to see this development.

And I am ready to exchange views with Prime Minister Rao on the boundary issue during the visit—if he wishes.

Let me point out that the boundary issue between the two countries is a legacy of the past. It is a problem created by the former colonialists who imposed this on our two developing countries. I believe that as long as the two sides act with sincerity and in the spirit of mutual understanding and mutual accommodation then they—sooner or later—can find solutions that are satisfactory to both sides and I am full of confidence about finding such solutions.

Another point, I want to make is that for the purpose of solving this problem there must be patience and sincerity on both sides and these are very important factors.

Dua: Mr Prime Minister, the dispute has been pending for too long a time. Officials had met for eight rounds of discussion and after Mr Rajiv Gandhi's visit the Joint Working Group that was set up by you and Mr Gandhi has met three times. What has been the progress so far? Don't you think it is too slow a progress for the two countries to be really happy about?

Li Peng: Actually, I have just now given you a very comprehensive answer. I have nothing new to add.

Dua: What exactly is meant by mutual understanding and mutual accommodation, Mr Prime Minister? Some of us are not really able to get the meaning of this.

Li Peng: As I said just now, the boundary dispute is a legacy of the past. So by mutual understanding we mean that we should respect history and also respect the status quo. Mutual accommodation means that there should be concessions on both sides so that we can find a reasonable solution satisfactory to both sides.

I think this is the spirit that should run through all kinds of negotiations.

Dua: Mr Prime Minister, has a stage come when the two sides can specify—or have you specified—the concessions which both sides have to make?

Li Peng: Well, as for the specific concessions that can be made, I think, details can be worked out during the talks and negotiations between the officials of the two countries. Today, I cannot give you a clear idea of specific concessions, but I can assure you that the Chinese Government has the goodness, patience and sincerity to abide by the principle of mutual understanding and mutual accommodation.

Dua: You have mentioned sincerity and patience. And patience requires time. Do you have some timeframe for

the settlement of the border dispute? Do you visualise a settlement in the near future or over a long time?

Li Peng: I think this will depend to much extent on whether the two sides can reach any consensus or agreement on this issue—or solution. Well, if both sides helped to reach an early and quick solution, then we can speed up the process. But if any side believes that conditions are not right, efforts should be made to try to coordinate the opinions within its country so as to reach a consensus. First at home, but then this process might be protracted. Also we have to depend on the results of the negotiations.

Dua: Are you going to suggest some new approach to solving the boundary dispute during your visit—when the earlier approaches have not delivered the results so far?

Li Peng: Well, I think even if you continue to ask ten more questions, I will not be able to answer. I know you are very experienced and skilful, but I can't say more now. I believe I have given you a very comprehensive view of position of the Chinese Government.

Dua: Thanks, I take it. But you were a little while ago speaking about the maintenance of peace and tranquillity along the border. The two countries agreed to this during Mr Rajiv Gandhi's visit when he had detailed talks with you. What more steps you visualise the two countries should take in the near future to ensure peace and tranquillity along the border—on a little more durable basis?

Li Peng: Well, I think both governments have made efforts in this respect and as things stand now, the border is quite calm and what is more, we have established a system of regular meetings between officials of the two countries. And in case of any accident, the border or the frontier officials of the two sides can meet and solve the problems on the spot by immediate consultations.

Dua: Do you think the Prime Ministers of the two countries can now reduce forces along the border?

Li Peng: Well, I am not clear about the situation on the Indian side because of lack of contact between us for such a long time. But so far China is concerned, over the past years, we have drastically reduced our armed forces and actually we have reduced our armed forces by one million officers and soldiers. And as such we have reduced the military forces along the border with India and in this respect China has sincerity.

China's armed forces are solely of defensive nature and we have no territorial ambitions or claims on other countries. All what we intend to do is to safeguard our own country.

We all know, there is a Line of Actual Control along the Sino-Indian border and we will abide by the understanding reached previously. That understanding is that pending a final solution to this problem not [as published] sides should stick to the Line of Actual Control so as to create good conditions for resolving this boundary issue.

Dua: Mr Prime Minister, I would like to refer to some other questions. One of the most serious developments or important developments in the post-war world has been the virtual collapse of the Soviet Union. How does China view this development?

Li Peng: There is no need to hide the fact that over the past two years, the Soviet Union and East European countries have gone through dramatic changes. It is unfortunate that the Soviet Socialist Republics is disintegrating with the various Republics declaring independence. It is China's policy not to interfere in other countries' internal affairs. As you know, the Soviet Union shares an area of 7,000 kilometres with China. China is ready to maintain neighbourly relations with the Soviet Union and, more specifically, with the neighbouring Republics with the Soviet Union.

As for China, the policy is to stick to socialist system. And socialism of China is different from the Soviet socialist system. We are now pursuing socialist system which the Chinese want to. On most specific terms, it is socialism with Chinese characteristics. I think by going over those principles, you can find the difference between the socialism with Chinese characteristics and the socialism in the Soviet Union.

China now enjoys political stability and its economic situation is also quite favourable. Now GNP [Gross National Product] this year is estimated to increase at a rate of 7 percent. Most of the market supplies are pretty good. The Chinese people are of full confidence bringing socialism of Chinese characteristics. Hence, the changes in the international situation have not weakened this confidence; rather it has further strengthened their confidence. By comparison of what has happened in the Soviet Union and the East European countries after the changes in those countries, with what is now happening in China our conclusion is that our goal—of socialism of Chinese characteristics—is correct.

Dua: But what is your assessment: Can the disintegration of the Soviet Union be prevented at this stage?

Li Peng: Generally speaking, the situation is slipping into greater and greater chaos.

If you look at Yugoslavia, we can see that the civil war has been going on there for a long time but with no end in sight. Now the idea to send in UN peace keepers cannot be realised because of the failure of the ceasefire. So, whether the Soviet Union will undergo such a traumatic end is hard to predict.

Rest aside, there is profound friendship between the Chinese people and the Soviet people. And especially because such friendship exists between the peoples of the two countries. We sympathise with the Soviet people with the chaotic conditions they are faced with.



Dua: What is going to be your policy, Mr Prime Minister, towards the Republics, towards the Russian Republic, Ukraine and other Republics who may declare independence.

Li Peng: China never interferes in other countries' internal affairs. So whether a Republic declares independence or not should be the choice made by the people of that Republic. If a Republic should gain an independent status, China too is ready to continue to develop normal and friendly relations with that Republic.

Well, those Republics which have declared independence or have not declared independence, or still remain within the Union, or they are ready to sign a new Union treaty then China will continue to maintain normal relations with this. As a matter of fact, relations with the Union have not been broken so far.

Dua: Mr Prime Minister, I know the time is running short. You mentioned about the new world order and you said you would discuss it with the Indian Prime Minister during your visit. I am told China has reservations about the new world order—the way it has been defined by the United States of America. What exactly are your objections to it?

Li Peng: I think the new international order should be based on Five Principles of Peaceful Co-existence. We know that these Five Principles were jointly initiated by the Chinese Premier and the Indian Prime Minister. And after the lapse of more than 30 years, these Five Principles of Peaceful Co-existence have acquired vitality and relevance. Naturally, some new contents can be added to these five principles and during my visit to India, I am ready to explore with India's Prime Minister new contents that can be added to these five principles so that we can adapt these principles to changes in international situation. While new contents can be added to the Five Principles the basic principles should remain.

China believes that all countries—big or small, strong or weak, rich or poor—are equal members of the international community. It is unacceptable to have one or two big countries have the final say. The affairs of the world should be resolved by all the members through consultations. And United Nations should play an increasing role and China is very glad to see that the new UN Secretary-General belongs to the developing countries.

Well, finally I would like to point out the opportunity that China and its people share friendly feelings for India and its people. Our two countries are ancient civilisations and have long ties in cultural and economic fields. Back in 1950s, the two countries enjoyed excellent relations. But later because of some unknown reasons our relations cooled down. In this sense we very much appreciate the 1988 visit of Mr Rajiv Gandhi to China because it is that visit which broke the ice in our relations. And as for this visit, as you mentioned, this will be the first visit of the Chinese Premier in 31 years. I hope this visit will lay a solid foundation for further improvement in our relations. The significance does not lie in the number of agreements that we reach during the visit,

its significance lies in our readiness to put an end to the past and open up the future. And that should be the focus of our efforts.

Our two countries are the two most populous and developing countries in this world. And in the face of the new international situation, cooperation and solidarity between these two countries are very important for the people. The Chinese Government views my forthcoming visit in this spirit.

Dua: Thank you very much, Mr Prime Minister. Thank you for giving me so much of your time.

### Reaction to Li Peng's Recent India Visit

#### Editorial Terms Visit 'Milestone'

OW1712111991 Beijing XINHUA Domestic Service  
in Chinese 0718 GMT 17 Dec 91

["RENMIN RIBAO Editorial Says Li Peng's India Visit Is an Important Milestone in the Development of Sino-Indian Relations"—XINHUA headline]

[Text] Beijing, 17 December (XINHUA)—In connection with Premier Li Peng's successful visit to India, RENMIN RIBAO published an editorial today entitled "An Important Milestone in the Development of Indian-Sino Relations." The editorial says: Premier Li Peng's official goodwill visit to India is the first visit to India by a Chinese premier in 31 years. "The visit achieved the objectives of enhancing understanding, enlarging consensus, deepening friendship, and stimulating cooperation. Both the Chinese and Indian sides agreed that the visit was a successful one and an important event in the history of the development of Sino-Indian relations."

The editorial says: "During the visit Premier Li Peng held several discussions and met several times with Indian leaders. In an atmosphere of sincerity and friendship, he had an in-depth exchange of views with them on Sino-Indian bilateral relations and international and regional issues of common interest."

The editorial points out: "Deeply concerned about the current turbulent and unstable international situation, both the Chinese and Indian leaders concluded that the new international political and economic order should be established on the basis of the five principles of peaceful coexistence, which were jointly initiated by China and India and have been universally recognized by the international community. Both sides agreed that on the question of safeguarding human rights, developing countries cannot simply copy the Western standard because of their respective national conditions. For developing countries, the most important rights are the right to subsistence and the right to development." "Both sides unanimously agreed that under the current complex and ever-changing world situation, developing countries should all the more support one another, strengthen cooperation among them, and continue to

strengthen South-South cooperation while actively promoting the North-South dialogue, so as to jointly cope with the grave challenges confronting them."

The editorial says that both sides also discussed, with a positive attitude, the means for further improving and developing bilateral relations, and agreed that both sides should make positive efforts to promote good-neighborliness, friendship, and cooperation in the spirit of seeking common grounds while reserving differences and of looking into the future. The border issue is the major issue needing to be resolved between China and India. Both sides held that the border issue should not be an obstacle to the improvement and development of bilateral relations. "We believe so long as both sides have sincerity and patience, a proper solution to the border issue will finally be reached, and the Sino-Indian border will finally become a bond of friendship and peace linking the two peoples."

The editorial says that the five agreements concluded by both sides during the visit are the concrete embodiment of the improvement and development of the relations between the two countries. Both sides discussed to explore the means for expanding cooperation and the sphere in which cooperation should be expanded. Indian enterprises and economic circles expressed great interest in developing bilateral economic, trade, scientific, and technological cooperation, believing that both sides have great potential and broad prospects for economic, scientific, and technological cooperation.

In conclusion, the editorial points out: We believe that in the days ahead, Sino-Indian cooperation will continue to expand, and good-neighborliness and cooperation for mutual benefit between the two countries will gradually develop to a new level.

The strengthening of cooperation between China and India, besides benefiting the peoples of the countries, is an important factor for safeguarding peace and stability in Asia as well as a contribution to world peace and development.

#### Indian Premier, Press Laud Visit

OW1812025691 Beijing XINHUA Domestic Service  
in Chinese 1305 GMT 17 Dec 91

[By reporter Zhan Dexiong (6124 1795 7160)]

[Text] New Delhi, 17 December (XINHUA)—Indian Prime Minister Narasimha Rao 16 December said that the recently concluded visit of Chinese Premier Li Peng to India was "a very good visit which favors the future."

He made these comments to reporters after bidding farewell to Premier Li Peng at the Presidential Office. He also said that he would thoroughly study ways to further improve relations between the two countries on the basis of the talks.

Major newspapers in India today prominently featured the Sino-Indian joint communique. A number of newspapers published commentaries, praising Li Peng's successful visit to India.

Today's "HINDUSTAN TIMES" publishes an editorial entitled "Advance Toward Friendship," which says that Premier Li Peng's visit has successfully enabled both sides to agree "to advance in the direction of promoting friendship."

On 16 December, "PATRIOT" published an article entitled "Milestone," saying that Li Peng's visit will not only go down as a major milestone in the more than 2,000 years of Indian-Chinese relations but will also be deemed a constructive step forward in the evolution of a new international economic and political order.

#### Nepalese Paper Sees Improved Ties

OW1812073391 Beijing XINHUA in English  
0630 GMT 18 Dec 91

[Text] Kathmandu, December 18 (XINHUA)—The leading English language daily "THE RISING NEPAL" in the Himalayan kingdom said today that the main significance of Chinese Premier Li Peng's visit to India cannot be underestimated.

The paper in an editorial described the mood on both sides as "one of moving cautiously towards improving their ties in a gradual manner" when the Chinese premier landed in New Delhi.

After citing agreements signed by the two countries and talks on bilateral and international relations, the paper said, "a very important implication of Premier Li's visit is that nations need not be precluded from improved bilateral ties even if they have serious differences."

"The achievements made in New Delhi will have to build on in the future so that better relations between the Asian giants will have their positive ramifications in the region and also the rest of the world," it noted.

"Nepal, as a friend of both neighbors, cannot but rejoice at the improvement of ties between them," the paper said.

#### Comparison of Sino-Indian Communique

CM1812143591

Beijing RENMIN RIBAO in Chinese on 17 December carries on page 1 a XINHUA report on the Sino-Indian communique. This version has been compared with the Beijing XINHUA Domestic version published in the 16 December China DAILY REPORT, page 20, revealing the following variations:

Page 20, column two, seventh full paragraph, first sentence reads: ...[Text] New Delhi, 16 Dec (XINHUA)—At the conclusion of Premier Li Peng's visit to India, China and India issued a joint communique today. The full text of the joint communique is as follows:

1. At the invitation... (changing dateline, providing additional material)

Page 22, column two, first partial paragraph, last sentence reads: ...Chinese Communist Party to visit India at

his convenience. Premier Li Peng said that he would convey this invitation with pleasure and thanked the prime minister.

New Delhi, 16 December 1991. (providing additional material)

### **China To Buy More Indian Iron, Chrome, Tobacco**

OW1712052491 Beijing XINHUA in English  
0454 GMT 17 Dec 91

[Text] New Delhi, December 17 (XINHUA)—China has agreed to balance its trade with India by buying more iron ore, chrome ore and tobacco, the PRESS TRUST OF INDIA (PTI) reported Monday.

During bilateral discussions, the Chinese side has also expressed interest in joint ventures in both countries, in the fields of power stations, steel, iron ore and coal mining, the PTI quoted official sources as saying.

China, for the first time, has agreed to sell coking coal to India, the sources said.

### **Jordan Sees 'No Progress' at Mideast Talks**

OW1712032291 Beijing XINHUA in English  
0257 GMT 17 Dec 91

[Text] Washington, December 16 (XINHUA)—The Middle East peace talks entered the second week today with no progress between Israeli and Arab and Palestinian delegations.

Like last week's discussions, their talks didn't get beyond a State Department corridor where the two sides still remained in disagreement about the Palestinian demand for separately talking with Israel, rather than together with Jordanians.

"There is no progress in today's talks," a spokeswoman of the Jordanian delegation told XINHUA this evening.

"As of today the whole process is in serious jeopardy," said Hanan 'Ashrawi, spokeswoman for the Palestinian delegation. "It looks like we are quickly heading towards a deadlock."

And 'Abd-al-Salam al-Majali, leader of the Jordanian delegation, said "it looks to me that it is the same like what we had before."

Meanwhile, Israeli Deputy Foreign Minister Binyamin Netanyahu also acknowledged "this has not been a good day for peace."

In another negotiating front, after three hours of talks, Muwaffaq al-'Allaf, leader of the Syrian delegation, told reporters that today's talks were "lack of results."

"Unfortunately," he said, "the Israeli delegation is still not budging an inch on its position not to discuss really the substantive matters. The substance of the whole thing is territory for peace."

"We want them to give back our land," he added. "It appears that there is an attempt to repeat and repeat and repeat things that they know that they cannot move us an inch forward."

In the middle of the talks, Yosef Ben-Aharon, Israel's chief negotiator with Syria, said he received word that two "terrorists" carrying Syrian papers had been caught on the shore of the Gaza Strip.

Ben-Aharon said he urged Syria to stop all terrorist activities against Israel by groups based on its territory.

"You call them terrorists. I call them freedom fighters bent on freeing Arab land," Ben-Aharon quoted Syrian delegation leader al-'Allaf as saying.

Meanwhile, Israeli negotiators met separately with Lebanese delegates for the fourth day and agreed to meet again on Tuesday.

"Not much progress," Uri Lubrani, Israel's chief negotiator with Lebanon, said after two and a half hours of talks. "It is slow, unfortunately, very slow."

The Lebanese want the Israelis to withdraw from a strip of land they use as a buffer against Arab guerrilla attacks on their border, and the Israel says it is willing to do so—if arrangements can be made to secure the border, if Syria pulls its 40,000 troops from Lebanon and if Lebanon signs a peace treaty with Israel.

In both talks with the Syrians and Lebanese talks, Israel requested that the next round of talks—probably in mid-January—be held in the Middle East region, both sides said.

But Suhayl Shammas, leader of the Lebanese delegation, requested the talks resume here, and al-'Allaf also insisted the talks remain here and said he would appeal to the United States for intervention.

Israel would rather resolve the dispute directly with Syria, Aharon said. Israelis felt that by staying in Washington, it opens itself up to U.S. pressure.

### **XINHUA: Talks Near 'Collapse'**

OW1812060591 Beijing XINHUA in English  
0448 GMT 18 Dec 91

[Text] Washington, December 17 (XINHUA)—The Middle East peace talks are on the brink of collapse today as Israelis and Arabs and Palestinians escalated their charges against each other, making the talks unlikely for any progress this year.

The Israeli delegates attacked Syria of opposing the repeal on Monday of a U.N. resolution equating Zionism with racism, while the Syrians accused Israel of failing to honor agreements to negotiate land for peace.



Meanwhile, the Palestinians accused Israel of inflaming tensions by continuing to erect settlements in the West Bank, and the Israelis charged that the Palestinians changed the rule of game.

Yosef Ben-Aharon, Israel's chief negotiator with Syria, said after today's talks that his team had complained during today's session about Syria's decision to vote against Monday's U.N. General Assembly repeal of a 1975 resolution equating Zionism with racism.

But Syria returned back Israel's attack by saying that Israel refused to negotiate the return of the Golan Heights in exchange for guarantees of peace.

"It seems very clear that the Israeli delegation dictionary does not have the word 'withdrawal,'" said Bushra Kanafani, spokeswoman for the Syrian delegation.

At a news conference, Kanafani said "they don't mention withdrawal" from the Golan Heights during the talks.

And Muwaffaq al-'Allaf, leader of the Syrian delegation, said "we put to them many questions that we consider substantive questions and if we started really to discuss those questions, maybe we could ensure some progress in the work to establish peace, but they rejected discussion of these things."

At the same time, Haydar 'Abd-al-Shafi, leader of the Palestinian delegation, said at a news conference "Israel has been escalating its practice in the occupied territories, a matter that undermines the credibility of the peace conference."

He also complained that Israel continued to refuse to meet separately with Palestinians.

"The Israeli delegation refuses to acknowledge the independent status of the Palestinian in the context of the joint Jordanian-Palestinian delegation. I am sorry to say...we are still stuck in this position."

In a letter to Israel today, the Arab side denounced the Israeli crackdown on Palestinians under its occupation in the West Bank.

#### **NPC Vice Chairman Receives Bangladesh Delegates**

OW1312111291 Beijing XINHUA in English  
1054 GMT 13 Dec 91

[Text] Beijing, December 13 (XINHUA)—Lei Jieqiong, vice-chairman of China's National People's Congress (NPC) Standing Committee, met with a cultural delegation of the Bangladesh Government at the Great Hall of the People here today.

The delegation, led by State Minister of Culture Jahanara Begum, arrived here Thursday at the invitation of the Chinese Ministry of Culture. The delegation has signed with the Chinese side the programs of cultural exchange between the two governments from 1992 to 1994. The visitors will also visit South China's Guangzhou.

#### **Bangladesh Cultural Exchange Program Renewed**

BK1412160491 Dhaka Radio Bangladesh Network  
in English 1530 GMT 14 Dec 91

[Text] The cultural exchange program between Bangladesh and China has been renewed from 1992 to 1994. The renewal came during the current visit of the Bangladesh cultural delegation led by the state minister for culture, Professor Jahanara Begum. Vice Chairman of China's National People's Congress Standing Committee Lei Jieqiong held a meeting with Bangladesh delegation at the People's Great Hall in Beijing yesterday.

#### **Nepal's Prime Minister Expresses Desire To Visit**

OW1312225291 Beijing XINHUA in English  
1642 GMT 13 Dec 91

[Text] Kathmandu, December 13 (XINHUA)—Nepalese Prime Minister Girija Prasad Koirala today expressed his desire to visit China.

On inauguration of a spinning mill in Butwal, western Nepal, the prime minister said that he would pay a visit to China at convenient time in the future.

The complete set of equipment of the mill was made in China.

Commenting on Butwal yarn industry, he said the industry such as this would help resolve unemployment problem, enable the country to be self-reliant and make cottage industries flourish in the country.

He said the government had the policy of encouraging plantation of cotton as an important raw material.

After the function, Koirala inspected the production process of the mill.

Present on the occasion were Chinese Ambassador Shao Jiongchu, Nepalese National Planning Commission Vice-Chairman Ramsharan Mahat and local parliamentarians.

### **West Europe**

#### **Commentary Assesses Unity After EC Summit**

##### **'Part One'**

HK1512080891 Hong Kong WEN WEI PO  
in Chinese 14 Dec 91 p 4

["Special article" by Paris correspondent Cheng Jo-lin (6774 5387 7792): "On EC Maastricht Summit—Part One"]

[Text] Like the Yalta meeting, the Maastricht meeting will hold an important historical position in the late 20th century. The European Community summit, which concluded yesterday morning, signed two historic treaties: The European Economic and Monetary Union Treaty and the European Political Union Treaty. When the

leaders from the 12 EC nations toasted one another with glasses of champagne after signing the treaties, the telex machines at the conference's information room were printing news items from other parts of the world: The Soviet Union was speeding up its disintegration; the Middle East peace conference sponsored by the United States was in session on the other side of the Atlantic Ocean; and a new economic community was quietly emerging in the Pacific region.

### Quarrels Whose Results Are Expected

As predicted before the meeting, the leaders of the 12 EC nations argued amongst themselves up to the last moment before reaching agreement. In the lobby outside the meeting hall, however, almost none of more than 2,000 reporters believed that the meeting would "fail." Various delegations held news briefings one after another, and spokesmen for various nations kept stressing their differences at the meeting, creating an artificially tense atmosphere. As French President Mitterrand said: "They would not make concessions without arguing to the last moment." This rather vividly depicted the relationships among the 12 EC nations and their positions in the historical framework.

Due to various historical and contemporary factors, the complicated relationships inside the European Community were interwoven and found full expression at the summit meeting. On the surface, the contradictions at the Maastricht summit focused on the disagreements between Britain and France over the issue of unified currency and the social charter of the political treaty. On the issue of monetary union, Britain had misgivings over the three-stage plan to circulate the European Currency Units [ECU] in place of the 12 national currencies. London was afraid that it would lose its status as a financial center in Europe and also worried that Britain's economic relations with the United States and Japan would be harmed. Therefore, Britain demanded that it be made an exception in the monetary union and be excluded from the unified currency system. Britain also feared, however, that, if it was the only country to enjoy such exception, it would be opposing the other 11 nations; so it proposed that the provision on the exceptional arrangement be made available to all EC nations. This was opposed by almost all other national leaders. France sharply pointed out that the circulation of the ECU must not begin later than 1 January 1999, and its aim was to make this historic step "irreversible." As for the social charter, because Britain is now ruled by the right-wing Conservative Party, some provisions of the EC treaty are not in keeping with its campaign platform, and Prime Minister John Major was not willing to make concessions which might affect the Conservative Party's election campaign next year. As a result, only 11 nations signed the social charter, and Britain also signed a second exceptional provision. The summit meeting was prolonged to early morning yesterday, because the deadlock on this issue could not be solved. Britain also achieved success on other issues. For example, France

had no choice but to agree to delete the term "confederation" from the political union treaty. In addition, various other contradictions also existed between Britain and Germany and between Germany and France. According to today's reactions from various European countries, however, it seemed that they are all satisfied with the results of the "historic meeting."

Why didn't these contradictions stop the 12 nations from achieving a final result that pleased every one? Of course, this is first related to the close relations among the 12 nations. Maastricht is not Madrid, and the 12 nations have no fundamental conflicts of interest. More important is the fact that the 12 nations were all clearly aware that they had no time for failure.

### Japan's Presence Outside the Meeting

At least several hundred Japanese reporters were present throughout in Maastricht. This time, Japan paid close attention to the historic meeting. If one traces the original aim of the European Community's establishment, one will not wonder about Japan's presence.

If the European Community is taken as an entity, it is undoubtedly an extremely strong economic body which can form an even tripod with the United States and Japan. The economic and monetary union treaty signed by the EC nations is likely to raise Europe to the "hegemony" position in the international economy by the end of this century. Because the European nations are still separate entities today, they are facing a strong challenge from Japan. This is clearly reflected by the following figures: In a few years in the middle of the 1980's when the European Community was stepping up its own construction, Japan increased its direct investment in Europe by 700 percent, and the amount had reached \$14.8 billion by March 1990. Japanese capital has made inroads into almost every branch of the EC economy, including the car-making, electronics, banking, and insurance industries. Take the electronics industry as an example. In a period of two to three years, Japan's high-tech corporations succeeded in infiltrating four out of the eight major computer companies in Europe. Japan held a clear objective, that is, to scramble for as many "command points" as possible before the unified market and the unified currency system are formed within the EC and to make European industry more heavily "rely" on Japanese capital and technology. In fact, Japanese capital and technology inroads have driven Europe into a corner. Before the Maastricht meeting, both Mitterrand and Kohl had indicated that, if the meeting ended up a failure, that would just be Europe's "suicide." There was not even a chance for any delay. In a few years' time, Japan will complete its economic infiltration of Europe. Then, it will be too late for Europe. Therefore, when the debate at Maastricht was most intense, the spokesman for the French president flatly denied that there would be another Maastricht meeting if the ongoing one could only reach some partial agreements. When questioned by reporters, the

spokesman stressed that there was only one Maastricht meeting. It seemed that they were fighting a desperate struggle.

So, one may say that Japan was the key factor that determined the inevitable success of the Maastricht meeting from its very beginning.

### **'Part Two'**

HK1812101291 Hong Kong WEN WEI PO  
in Chinese 15 Dec 91 p 3

["Special article" by Paris correspondent Cheng Jo-lin (6774 5387 7792): "On EC Maastricht Summit—Part Two"]

[Text] On the eve of the Maastricht Summit, startling news spread from the Soviet Union that Russia, Ukraine, and Belarus would establish a Slavic commonwealth. This event overshadowed the badly-timed Maastricht Summit, which should have been placed on the front pages of major papers around the world. This, coupled with U.S. Secretary of State Baker's remarks that the Soviet Union no longer exists, has suddenly drawn the world's attention to the East. At the last EC summit, the Yugoslavia problem cropped up, utterly confusing the summit's agenda. This time, leaders of the 12 EC states were determined to settle the question of the two unions [economic and monetary] according to the agenda whatever happened. The "Slavic" waves of impact and the 12 states' responses precisely explain this fact: Economically speaking, the EC cannot turn back. Moreover, in the face of the unpredictable situations in the Soviet Union and East Europe, the EC states need to integrate their foreign and defense policies as soon as possible so they can coordinate with one another and effectively cope with any possible changes.

In front of the dozen or so computerized news transmitters at the summit's information center, reporters appeared to be more concerned with AFP, AP, and REUTER reports about the Soviet Union. Although spokesmen for various states intentionally avoided the Soviet issue in their news communiques, reporters persistently followed up on it. Observers had generally predicted that the 12 EC states would have differed greatly on the question of defense. In fact, it turned out that they did not quibble over it. Could it be that the nuclear threat sparked by the Soviet Union's disintegration has encouraged West Europe to speed up its integration effort? By looking back at the Middle East, Europeans have no choice but to accept the fact that they no longer have a share in the world's oil depots, because the Middle East will soon become the United States' "backyard."

In the past decade, when the world was still in the cold war period, Europe was under the protective umbrella of the United States. The United States and West Europe coordinated their approach on the Soviet Union. When the Paris CSCE meeting was convened last December, however, the bipolar pattern with the United States and West Europe on one side and the Soviet Union and East Europe on the other had disappeared. Since then, the

voice for Europe's independence has been gaining momentum. During the Gulf war, the 12 EC states continued to act naively as U.S. allies. When the war was over, however, West Europe was completely excluded from the Mideast peace process, and that was when Europe awoke as if from a dream. As the fire of Yugoslavia's crisis spread directly to the great doors of Europe, the 12 states, especially France and Germany, found that, to ensure the EC's economic growth and the political stability indispensable for this growth, the EC needs not only to build a large market but also to formulate common foreign and defense policies. Only by so doing will West Europe be able to have a bigger say in world affairs and will it be able to take the necessary and immediate measures to cope with Europe's internal affairs and thus maintain Europe's stability. As the Soviet Union's unrest is worsening, the 12 EC states have a new sense of crisis. This has laid a psychological groundwork for them to come together and take concerted action. Not long ago, when France and Germany formed the Franco-German brigade as the first step toward a common defense policy, Britain still showed its resolute disapproval. At the Maastricht Summit, however, all sides unanimously accepted the French and German principle. This fully demonstrates the consensus and determination of these European states regarding strengthening the EC's political union.

This point is often neglected because, so far, it is only the first step and because various contradictions still exist among various states. In fact, the economic and monetary union agreements signed at the Maastricht Summit have put West Europe inside the gate of a unified market, while its political union is just beginning to take shape. If the Soviet Union's situation follows Yugoslavia's course, however, people will surely see that the pace of European political union will also be stepped up. Perhaps, one day when one awakes, one will suddenly find that a new superpower has been born in the West.

### **Potential Crises in Europe**

To describe the Maastricht Summit results, it is doubtless appropriate to use such words as "historic" or "epoch-making." As French President Mitterrand said on television last night, Europe has almost become the major commercial force of the world, and moreover, it will become a major industrial and political force, or "it will, at least, go neck and neck with the United States and Japan." The United States understands this well. In one of his declarations, President Bush said: The United States welcomes Europe's epoch-making step. If it overlooks the problems facing the EC further down the path, however, it will make mistakes.

People noted that, when he returned to London, British Prime Minister John Major said that Britain has "won an unprecedented amount." French President Mitterrand also has said that France obtained everything it expected to. Other states, including Spain, made similar statements. Who failed then? This is the question. In fact, the success at the EC summit was the result of an



understanding which came about due to external factors that compelled the leaders of various EC states to arrive at the conclusion that, if they did not succeed, Europe would most likely lose the opportunity for future development forever. On the other hand, there are unavoidable internal factors, that is, these leaders' personal motives. John Major's numerous acts are all aimed at Britain's general election next year. John Major is no longer being pulled between the opposition party, which calls for more British participation in European affairs, and the Conservative Party, headed by former Prime Minister Margaret Thatcher, which calls for maintaining more self-governing rights. Consequently, in order to ensure the Conservative Party's success in next year's general election, Britain's principle for the Maastricht Summit was formulated in response to its domestic needs. French President Mitterrand was in a similar situation, as, in a public opinion poll, Mitterrand's score dropped to 29 percent, a record low. The Socialist Party is laden with anxieties over next year's regional elections and the parliamentary election the year after, and, therefore, it simply could not bear the possibility of a failure at the Maastricht Summit. The agreements reached under these circumstances thus have the potential for engendering numerous crises. In fact, many problems have only been avoided and have not really been resolved; for example: sovereignty, the majority vote on foreign policy, and the extremely right-wing nationalism in several states. These questions will probably crack the EC's political union from time to time. The most immediate question, which is also one that drew the most attention, was that all states at the summit avoided the question of Germany's recognition of Croatia's independence. In the wake of the summit, will Germany proceed, as it has promised, with this action independently on its own before Christmas? If it does, will the common foreign policy then become empty talk?

Two cartoons best explain the European situations before and after the Maastricht Summit. The first portrays a divided Europe and a unified Soviet Union. The second reverses this by showing a unified Europe and a disintegrated Soviet Union. Now the crucial point is whether or not these two trends will change in a synchronized way and with an even speed. If the speed of disintegration exceeds that of integration (which is very probable), then the Soviet Union will be in a situation like Yugoslavia's. If this happens, West Europe will not be able to help; it will only be able to stand by and watch. If this really happens, Europe will take Africa's place as an arena of war and unrest.

### East Europe

#### CSFR Prime Minister Views Results of Visit

AU1112130591 Prague RUDE PRAVO in Czech  
7 Dec 91 p 3

[Zdenek Porybny report: "Conclusion of M. Calfa's Visit to China"]

[Excerpt] Shenzhen—[passage omitted] Speaking to Czechoslovak journalists at Shenzhen, the center of a free economic zone, Prime Minister Marian Calfa said about the results of his visit to the PRC: "We have laid the foundations for the future development of mutual relations, relations not burdened by ideology. We can return home absolutely satisfied. It is now up to our businessmen and managers to make use of the possibilities."

As regards one large commercial deal, however, China is still waiting for a gesture of conciliation from the CSFR. The Chinese request for an official invitation for a delegation of the local Tibetan government to Czechoslovakia is regarded as an implicit condition for awarding Czechoslovakia the contract for delivery of equipment for a hydroelectric power station in Tibet. Apparently, this would compensate, in Chinese eyes, for the visit by the Tibetan Dalai Lama to Czechoslovakia in 1990. [passage omitted]

#### CSFR Communist Deputies End Hunger Strike

OW1812054991 Beijing XINHUA in English  
0442 GMT 18 Dec 91

[Text] Prague, December 17 (XINHUA)—Two Czech-Moravian Communist Party members today ended their one week hunger strike in protest against new anti-communist penal articles in the country.

Jiri Svoboda, chairman of the party, started the fast after the Federal Assembly adopted anti-communist penal amendments on December 11.

Under the amendments, people who support or propagate communism are breaking the law and face prison sentences ranging from one to five years.

Svoboda was later joined by his colleague Miloslav Ransdorf.

Both of them are also Federal Assembly deputies.

Their party's parliamentary group had appealed to them to end such a form of protest.

Deputies from the Czech-Moravian Communist Party and other parties have submitted an amendment bill to the assembly regarding such undemocratic legislation.

#### Appeal to 'Society'

OW1512024091 Beijing XINHUA in English  
0157 GMT 15 Dec 91

[Text] Prague, December 14 (XINHUA)—Czech-Moravian Communist Party Chairman Jiri Svoboda today called on the society to press the the country's Federal Assembly to abolish anti-communist articles in the penal law.

Svoboda, who is also a deputy of the assembly, made the appeal at a press conference after a three-day hunger strike in protest against the penal amendments adopted by the assembly on December 11.

According to the amendments, people who support or propagate communism will violate the law and be sentenced from one to five years.

A statement issued by the Czech-Moravian Communist Party said the articles run counter to the Constitution passed by the assembly.

Miloslav Ransdorf, another federal assembly deputy from the party, also joined the hunger strike on December 12.

### **Bulgarian Socialist Party Largest in Country**

*OW1512010891 Beijing XINHUA in English  
0055 GMT 15 Dec 91*

[Text] Sofia, December 14 (XINHUA)—The Bulgarian Socialist Party still ranks first in its number of members among the country's other political parties though its total has declined by half since early 1990.

Party Chairman Aleksander Lilov disclosed the news today when he was addressing a party conference which opened here Saturday.

The party, which used to be the Communist Party, had one million members when it changed the name in April, 1990.

### **Hungarian Workers Protest Inaction on Benefits**

*OW1812044091 Beijing XINHUA in English  
0329 GMT 18 Dec 91*

[Text] Budapest, December 17 (XINHUA)—Some 550,000 Hungarian workers took to the country's streets today for two hours to protest against perceived government intransigence on the issue of workers' benefits.

The Union of Hungarian Trade Unions was behind what is the largest workers' movement so far this year, criticizing the government for not negotiating with them on the issue of workers' interests.

In today's industrial action, 250,000 workers went on strike, and 300,000 attended mass rallies.

Some 100,000 said they would launch all-out strikes if the government continued to ignore their requests.

Since early September, the trade unions have suggested negotiating with the government on improving workers' economic status.

In an eight-item appeal, the trade unions called on the government to take measures to reduce the likely 500,000 jobless figure for 1992 and not to cut down on welfare payments for the unemployed.

They are seeking welfare payments of no less than 75 percent of previous wages.

They also asked the government not to levy more taxes on wage-earners and try to keep next year's minimum wage above 9,700 forints (about 124 dollars) a month.

On December 14, Hungarian Prime Minister Jozsef Antall described strike calls as "a move not to safeguard interest" but "one for political purposes."

The trade unions have yet to be informed that the government will agree to sit down with them.

The ranks of the unemployed have jumped rapidly from 1990's 81,000 to 351,000 by the end of this October.

With an inflation rate topping 30 percent, many citizens have suffered a drop in their standard of living.

**Political & Social****Dai Qing To Travel to United States 22 Dec**

*HK1812004791 Hong Kong SOUTH CHINA  
MORNING POST in English 18 Dec 91 p 12*

[By Chris Yeung]

[Text] Prominent mainland journalist Miss Dai Qing was yesterday busy bidding farewell to close friends and packing her bags for a trip to United States on Sunday, after winning a long battle for permission to take up a Harvard scholarship.

The journalist at the GUANGMING DAILY [GUANGMING RIBAO] was given a passport by the Public Security Bureau on Monday, her daughter said from their Beijing home yesterday.

Miss Dai will collect her U.S. visa and final exit permit today, her daughter said.

"She has booked a ticket for the 22nd. She will fly directly to San Francisco to see her brother for a few days. And then she will go to Harvard. She won't stop over in Hong Kong," she added.

Miss Dai, 50, was jailed for 10 months after the 1989 pro-democracy movement for her involvement with the protests.

She was offered a Nieman fellowship at Harvard University early this year in recognition of her defence of press freedom. But the GUANGMING DAILY has repeatedly turned down her request for a permit.

Miss Dai was at the centre of a controversy at the end of the visit of U.S. Secretary of State Mr James Baker in Beijing last month.

She vanished for five days and said afterwards she had been held under surveillance at the Beidaihe seaside resort while waiting for a telephone call to arrange a meeting with the aides of Mr Baker in a Beijing hotel.

The incident has embarrassed the Bush administration and drawn criticism from human rights groups.

Seen as a conciliatory move, the Chinese Government last month indicated that Miss Dai would be allowed to leave the country in accordance with Chinese laws.

In November she officially quit her job at the paper and applied for a passport directly through the public security bureau.

In an unusual statement released on December 2, the NEW CHINA NEWS AGENCY [XINHUA] quoted a public security source as saying she was processing papers to leave China.

Relatives of Miss Dai said she received the permission to go to the U.S. largely because of world pressure following the visit of Mr Baker.

Miss Dai has said, however, she would steer clear of politics during her 10 months of study at Harvard.

"I just want to concentrate on my studies," she said.

The journalist also denied rumours that the permission to go abroad was conditional in that she would not be allowed to return to the country.

"I will return to the mainland after completion of my studies," she has said.

In an apparent move to mend ties with Western countries severed after the June 4 crackdown, Beijing has taken small steps to improve its human rights record.

Dissidents and spouses of dissidents in exile have been allowed to rejoin their families overseas.

**End Seen to Dissident Student Trials**

*HK1812053691 Hong Kong THE STANDARD  
in English 18 Dec 91 p A-9*

[By Cheung Po-ling]

[Text] China is about to complete trials of some students in prison before the end of the year to pave the way for an amnesty of dissidents early next year.

Sources said several dozen students still languished in the Chinese prisons and most of them had been detained without trial for over a year.

Authorities recently ordered Chinese courts to complete legal proceedings against these students before the end of the year.

Those who are found to be remorseful for the "crimes" they committed would be released together with other imprisoned dissidents in an amnesty early next year.

In a bid to appease the international outcry against China's human rights record, the widely-specified amnesty is likely to result in the release of well-known dissidents like student leader Wang Dan and intellectual Bao Zunxin.

Sources said the latest batch of students to face trial included Peng Rong of the Beijing University and Li Xianbin of the People's University of China.

Mr Peng, a student of the department of biology, was arrested on 22 May last year and has been kept in a cell for nineteen months.

He was accused of collaborating with students of the Wuhan University to organise unlawful activities to commemorate the first anniversary of the 4 June killings last year.

The case involves four students from Wuhan University and four from Beijing University.

Among the four Wuhan students, only one was sentenced to two years in jail.



The others were released.

Three Beijing students were expelled from school after being set free and Peng is the only one awaiting trial.

Peng's mother has been told by the court that the trial will be held soon in Beijing and she plans to attend.

Sources said that if Peng could reach some sort of compromises with the court, he would be exempted from prosecution as he repented.

The sources said that if he failed to co-operate he might be sent to jail a maximum of two years.

Another student, Mr Liu, was arrested in April. He allegedly put up a poster in the People's University campus on the eve of the first anniversary of the 4 June killings.

The poster said the third session of the Second Autonomous Association of the Universities in Beijing was open and urged students to take to the street and stage demonstrations.

#### Article Views 14th CPC National Congress

HK1812073291 Hong Kong KUANG CHIAO CHING  
in Chinese No 231, 16 Dec 91 pp 16-18

[Article by Wang Hsiao-Chun (3769 0879 0689): "Looking Forward to the 14th CPC National Congress"]

[Text] "14th CPC National Congress" To Be Held in Late 1992

On the eve of the opening of the CPC's Eighth Plenary Session, it was widely reported in some Hong Kong and Western news media that Yang Baibing, Zou Jiahua, and Zhu Rongji would be elected into the CPC's Political Bureau, but this never came about. In fact, there was no such motion at the Eighth Plenary Session of the CPC.

On the contrary, it was officially announced by the CPC at the end of this session that: The widely-awaited 14th CPC National Congress would be held in the fourth quarter of next year. Prior to this, the CPC will hold the Ninth Plenary Session, during which a number of plans will be mapped out.

The communique of the Eighth Plenary Session also gave an unusual preview of the three major tasks spanning from now until the convening of the 14th CPC National Congress at the end of next year. They are:

#### CPC's Three Major Tasks Before "14th CPC National Congress"

"One. Implement comprehensively the party's basic line of economic construction as the central task, upholding the four cardinal principles, and persisting with reform and opening up.

Two. Strive to consolidate and promote a political situation characterized by stability and unity, continue

to deepen reform and expand opening up, and concentrate efforts to do an even better job on economic and other endeavors.

Three. Insist on strict management of the party; do a good job in building the party's ideology, organization, and style; strive to upgrade the theoretical standards of party-affiliated cadres, especially leading cadres, in Marxism-Leninism-Mao Zedong Thought, as well as their political qualities; and enhance the party's cohesiveness and fighting power."

#### Two Key Links in the Development of China's Economy

Jiang Zemin said: Two important conferences were convened by the CPC in the last 3 months. One was the central work conference of September 1991 which discussed ways to improve large and medium-sized state-run enterprises; the other was the CPC Central Committee's Eighth Plenary Session held in late November 1991, which studied ways to strengthen agriculture and work in rural areas.

Jiang Zemin maintained: The questions discussed at these two meetings were two crucial links which were related and complementary to each other. Once these two links are effectively dealt with, it will ensure the smooth development of the entire national economy of China.

In early 1991, the CPC's top hierarchy formulated three major tasks:

One. Endeavor to achieve the stable growth of the economy;

Two. Step up the CPC's party building;

Three. Maintain social stability.

#### Deng Xiaoping Says: China's Stability Will Depend, First and Foremost, on Whether the Lives of the Peasants Have Improved

Deng Xiaoping maintained: China has a population of 1.1 billion, with 900 million people living in the countryside. China's stability will be decided, first and foremost, on whether or not the rural places and the lives of peasants have improved. Once they have, the social and political foundation of China will also stabilize. If China is to quadruple its economy, success will depend, first of all, on whether or not this can be achieved by 80 percent of its population.

#### Deepening of Rural Reform and the Future

The "Decision on the Eighth Plenary Session" also stated: "Without the relative affluence of peasants, there can be no relative affluence of the entire people; without modernization in agriculture, there can be no modernization of the entire national economy."

China's population presently stands at 1.178 billion and is expected to reach 1.3 billion by the end of this century.

In the Chinese mainland, daily urban and rural consumption of grains total more than 740,000 tons, while

that of pork is 47,000 tons or the slaughter of 1 million heads of pigs everyday; more than 17,000 tons of edible vegetable oil, or the equivalent of oil extracted from 555,000 mu of rape each day; more than 16,000 tons of sugar, or the equivalent of 48,000 mu of sugar cane; daily consumption of 18.7 million kg of eggs; 19.55 million kg of aquatic products; 220 million packets of cigarettes; 36,000 tons of wine. This is a very big and incredible burden! Unless it is resolved through China's own agricultural efforts, no country in the world can satisfy such a huge consumption! If China should run into difficulties in food supply, no country can rescue it.

Furthermore, the continuing rise in population means an increase of at least 12 to 17 million persons each year, while the amount of arable lands has shrunk annually owing to problems like housing construction, road-building and factory construction (statistics shows arable land is reduced by 3 to 5 million mu each year because of various construction projects). Consequently, the agricultural burden also grows along with rising demands from the population. Competitions for land with which to plant major farm crops like grains, cotton and rape would become more acute in the future, and as the people's lives improve and the Chinese move toward relative affluence, the demand on the quality of food-stuffs will become higher each year. Furthermore, in view of possible natural disasters, irrigation, geographical conditions, ecological system and changing tastes of the people, it is truly necessary to pay attention to and develop China's agriculture if the stamina and benign cycle of agricultural development is to be preserved and China's farm products to continue expanding and growing in a sustained manner. This is the national condition of China.

And to manage agriculture effectively, it is also necessary to speed up and enhance the development of rural industries, town and township enterprises, irrigation and electrification, education, medical benefits, science and technology, superior variety, marketing and sales services, market information, and transportation and communications in order to promote the growth of the countryside. These endeavors could no longer be assumed by one family or one household. Even as the system of contracted responsibility on the household basis is affirmed, there is also need for socialized services. This is why China needs to deepen the reform in the countryside at present.

#### **Jiang Zemin Says: Boosting the Economy Is the Most Important Preparatory Work**

Jiang Zemin said: Boosting the economy, particularly improving large and medium-sized state-run enterprises, and maintaining the stable growth of agriculture serves as the foundation for upholding stability and for effective realization of the various other tasks. It also serves as an important preparation for the opening of the 14th CPC National Congress at the end of 1992.

Jiang Zemin said: If external work is to bear results, including recent negotiations with the United States, the key also lies in effectively managing the country's economic and social undertakings. "Domestic work is the foundation of external work, and diplomatic victory is ultimately decided by domestic work."

The communique of the CPC's Eighth Plenary Session published on 29 November said: The 14th CPC National Congress is of immense significance to the progress of China. It will have a great impact in serving as a link between the past and the future, and in promoting the future development of China.

The question of top-level personnel appointments is also the focus of popular concern.

The reason that the 14th CPC National Congress attracts so much attention is because it will determine the CPC's paramount leadership team of the future as well as the development line in the next five years. This is a crucial moment. Deng Xiaoping is already 87 years old and has little time left. Following the momentous changes in the Soviet Union and Eastern Europe, the questions of how the CPC will evolve, whether or not the CPC's new leaders can build China well, and how the CPC is to be consolidated and developed in the future—all these naturally become topics of general concern.

#### **Founding Fathers Will All Retire**

Inherit the past and usher in the future—the reason for this is because a large number of the CPC's founding fathers, like Deng Xiaoping (1904 - ), Chen Yun (1905 - ), Li Xiannian (1909 - ), Yang Shangkun (1907 - ), Wang Zhen (1908 - ), Peng Zhen (1902 - ), Deng Yingchao (1904 - ), Nie Rongzhen (1901 - ), Bo Yibo (1908 - ), Song Renqiong (1909 - ), Wan Li (1916 - ) and others will all have retired from the stage of history; according to the original plan of the CPC, the CPC Central Advisory Commission will be abolished after the 14th CPC National Congress of 1992. Barring unforeseen events, the third and fourth generation of CPC leaders will have officially taken over by then. The CPC's central decision-making hierarchy will thus assume a feature completely different from that of the past 40 years.

#### **Drafting of the Political Report of the 14th CPC National Congress**

According to custom, the CPC will set up a team to begin drafting General Secretary Jiang Zemin's "Political Report" for the 14th CPC National Congress. It is generally expected that Zeng Qinghong, deputy director of the CPC's Central Office, is a favorite to join in the drafting of the report. Other possible candidates include Ma Hong, Gui Shiyong, Zeng Jianwei, and Liu Guoguang.

After the initial draft is completed by the "Political Report" team in the middle of next year, this will be distributed to the Political Bureau, Central Advisory Commission, Central Committee members, persons in charge in different provinces, cities and autonomous

regions as well as in various major military regions in order to solicit their opinions for further amendment of the draft. After this process is repeated several times, a final draft will be sent to the eight democratic parties and other well-known persons outside the party for their comments. By then, it will be close to the convening of the 14th CPC National Congress.

Before the 14th CPC National Congress opens, Song Ping, the Central Organization Department, and other persons in charge will examine and study the lists of delegates to the 14th CPC National Congress which are submitted by the different units. A few days before the official opening of the congress, the CPC will convene the Ninth Plenary Session to finalize its plans. By this time, the personnel appointments for the CPC's Political Bureau, Central Committee, Secretariat, Central Disciplinary Inspection Commission, and other major departments will have almost all been decided.

#### Major Personnel Changes Expected at 14th CPC National Congress

According to analysis, the 14th CPC National Congress will indeed be different from the previous other congresses. Dramatic personnel changes at the central level are expected during this historic moment of "inheriting the past and ushering in the future."

#### Jiang Zemin Remains the Pillar, Major Changes in the Central Committee

At the highest level of the CPC, the party's third generation with Jiang Zemin at the core is expected to continue to serve as the pillar and preserve the stability of the existing system. Barring extraordinary changes, Jiang Zemin will continue to serve as general secretary and chairman of the Central Military Commission, while **Li Peng**, **Qiao Shi**, and **Li Ruihuan** will remain as members of the Political Bureau Standing Committee, sharing responsibilities over the State Council, foreign affairs, politics and laws, public security, discipline, propaganda, and other key functions. Because of old age and poor health, **Yao Yilin** is expected to retire and his seat in the Political Bureau will be taken over by **Zou Jiahua**, State Council vice premier and minister of the State Planning Commission. It is also likely that **Song Ping**, who will be 75 years old at the time of the 14th CPC National Congress, will also leave the Political Bureau Standing Committee.

As for the other members of the Political Bureau, like **Yang Shangkun** (now 84 years old), **Wan Li** (75 years old), **Qin Jiwei** (77 years old), **Wu Xueqian** (70 years old) and others, they will also probably retire from the Political Bureau in 1992.

It is possible that **Zou Jiahua**, **Zhu Rongji**, **Qian Qichen**, **Ding Guangen**, **Yang Baibing**, **Chi Haotian**, and some important provincial and city leaders will be elected into the Political Bureau next year.

Furthermore, **Song Jian**, **Jiang Chunyun**, **Wu Bangguo**, and others are also possible successors to the Political Bureau.

Concerning members and alternate members of the CPC Central Committee, due to the promotion of a large number of new names from provinces, cities, military regions, big units and big enterprises, and to the retirement to the second line of some members of the former Central Committee, great changes are expected to take place in the composition of next year's Central Committee.

According to estimates, the following should be elected as members of the Central Committee: **Zhou Nan** (director of the XINHUA NEWS AGENCY - Hong Kong Branch), **Li Lanqing** (minister of foreign economic relations and trade), **Tao Siju** (minister of public security), **Chen Jinhua** (minister of the State Commission for Restructuring the Economy), **He Qizong** (deputy chief of General Staff), **Jiang Zhuping** (director of the Civil Aviation Administration), **Lu Ping** (director of the State Council Hong Kong-Macao Affairs Office), **Xie Fei** (secretary of the Guangdong provincial party committee), **Zhu Senlin** (governor of Guangdong Province), **Jia Qinglin** (governor of Fujian Province), **Chen Bangzhu** (governor of Hunan Province), **Guo Shuyan** (governor of Hubei Province), **Zhao Zhihao** (governor of Shandong Province), and **Huang Ju** (mayor of Shanghai). Some of them are now alternate members of the Central Committee.

Moreover, some new names from military regions, important cities, big enterprises, science and education sectors, and the cultural sector, including **Deng Nan** [6772 2809], **Xi Jinping** [5045 6602 1627], **Qu Zhenmou** [2575 2182 0177], **Jiang Shunxue** [5592 7311 1331], and **Zhou Guangzhao** [0719 0342 0664] are also possible candidates to the new Central Committee.

The next 10 years represent a crucial period for China and also pose a serious test to the survival and growth of the CPC. In the face of rapid and unpredictable changes as well as an intensely competitive new situation, the CPC needs successors who are competent and pragmatic, quick to respond to changes, have a steadfast stand and are blessed with enormous talent and foresight. The selection of such a team will have a great impact on the future success or failure of the CPC. Consequently, it is but natural that the high-level personnel appointments of the CPC during the 14th CPC National Congress in 1992 generate widespread concern and attention.

#### Song Ping on Raising the CPC's Fighting Capacity

CM1812171891 Beijing RENMIN RIBAO in Chinese  
14 Dec 91 p 1

[By Central People's Broadcasting Station reporter Tian Shanchuan (3944 1427 1557) and XINHUA reporter Sun Benyao (1327 2609 1031)]

[Text] Beijing, 13 December (XINHUA)—While speaking at a discussion meeting with the directors of provincial, regional and municipal party organization



departments from across the country at the Huarentang Hall in Zhongnanhai today, Song Ping, a member of the CPC Central Committee Political Bureau Standing Committee, pointed out: It is necessary to continually do a good job in building the party and raising the party's fighting capacity to a higher level, so as to welcome the upcoming 14th National Party Congress.

In accordance with the resolutions of the Eighth Plenary Session of the 13th CPC Central Committee and the requirements of the CPC Central Committee, this national meeting for the directors of various party organization departments was to study and arrange the party's organizational activities for 1992.

Song Ping said: Success at the 14th National Party Congress is significant to realizing the second-step strategic objective, as well as to enhancing China's overall national strength and building socialism with Chinese characteristics.

Song Ping pointed out: Performing well in the process of preparing and organizing for the 14th National Party Congress is also a process of strengthening the building of the party. Since the Fourth Plenary Session of the 13th CPC Central Committee, party committees at various levels have earnestly implemented the party Central Committee's guidelines, have paid attention to the building of the party, and have achieved results.

Song Ping said: Our party building has traditionally been closely linked to the party's political line. We should teach the broad masses of party members and cadres so that they will reach a deep understanding of the basic party line and implement it correctly. Regardless of the post or job they are assigned to, all Communist Party members should, through their words and deeds, dutifully and correctly implement this basic line. Present here today are comrades handling the party's organizational affairs. When we evaluate or use cadres, we should give top priority to seeing whether or not they fully understand and correctly implement the party's basic line. Not only comrades handling economic affairs, but comrades handling organizational and other affairs as well, should always bear firmly in mind that they have to focus on economic construction and do their jobs well on this basis. Upholding the four cardinal principles and upholding the reform and open policy are, in the final analysis, for the purpose of making our economic construction more successful.

Song Ping said: When we evaluate or use cadres, we should uphold the party's line on cadres and the principle that they measure up both ethically and professionally. We should evaluate their political stand and their performance at critical times, their ideology, their moral character, and their abilities, as well as whether they have performed remarkably in economic construction and during the course of reform and opening up. We should attach importance to selecting cadres from among people with practical experience. Organization

departments must perform their duties strictly so as to guard against irregularities in using people.

Song Ping said: Upholding and improving party leadership is a very important rule for building socialism with Chinese characteristics. We should not only have a correct line and general and specific policies, but also the party organizations at various levels should have to implement them with the broad masses of party members as vanguards and models.

Ding Guangen, alternate member of the CPC Central Committee Political Bureau and director of the United Front Work Department of the CPC Central Committee, attended the meeting on the afternoon of 12 December. He spoke on further improving the party's united front work in the 1990's and fostering cooperation between party and nonparty members. He pointed out: Leading cadres at various levels should have a profound understanding of the significance, necessity, and protracted nature of the united front work under the party's leadership. It is very important for the party's united front work in the 1990's that we strive to implement a system of multiparty cooperation and political consultation under the CPC leadership and strengthening and improving cooperation and joint working relations between the party and nonparty members.

The discussion meeting today was chaired by Lu Feng, director of the Organization Department of the CPC Central Committee. Speaking successively at the meeting were Gao Yan, member of the Jilin provincial party committee standing committee and director of the Jilin provincial party committee's organization department; Chen Yujie, member of the Hebei provincial party committee standing committee and director of the Hebei provincial party committee's organization department; Tan Fude, member of the Shandong provincial party committee standing committee and director of the Shandong provincial party committee's organization department; Long Yongshu, director of the State Planning Commission's personnel department; Bai Enpei, member of the Inner Mongolia Autonomous Regional provincial party committee standing committee and director of the Inner Mongolia Autonomous Regional party committee's organization department; and Li Zhimin, member of the Hainan provincial party committee standing committee and director of the Hainan provincial party committee's organization department. They expressed their views on issues concerning the building of the party organization at various levels, exchange of cadres, cultivation of young cadres, and streamlining administration in the state organs.

The meeting for directors of various party organization departments closed today.



### Wang Renzhong on Leadership Style Questions

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1 Nov 91 pp 2-8

[Article by Wang Renzhong (3769 0117 6850): "Several Questions on Leadership Style"; QIUSHI notes following is an abridged speech delivered by Wang Renzhong at a lecture on party work given to leading party cadres from organs directly under the CPC Central Committee]

[Text] Today I wish to address the issue of leadership style. I do not intend to discuss all aspects of this issue but will, instead, concentrate on the following four points: First, we must uphold democratic centralism; second, party committee secretaries must learn to be "squad leaders"; third, we must develop criticism and self-criticism; and fourth, we must engage in heart-to-heart talks, study, and think over problems. I. We Must Uphold Democratic Centralism

Democratic centralism is a party fundamental organizational principle and also an important party disciplinary measure. I also would like to point out in particular that democratic centralism is also a scientific method and work style. The party is our leadership core in revolution and also in socialist construction. How to strengthen and improve the party's leadership, truly turn the party into a strong leadership core in socialist modernization, and turn our primary party organizations into strong fighting bastions are tasks of crucial importance which currently confront us. It is of immense importance that we uphold democratic centralism. Comrade Jiang Zemin's speech at the meeting marking the 70th anniversary of the founding of the CPC is an example of the practice of democratic centralism. We should learn from him, not only from his speech but also from his style. This speech went through a process, moving from democracy to centralization, then back to democracy, and then back to centralization again. In other words, he first widely solicited opinions, familiarized himself with the situation, and made his analysis; he then summed everything up and produced an outline. Based on his views and the views of the CPC Standing Committee, the drafting group produced a draft which was circulated to party committees in the various provinces, regions, cities, ministries and commissions to canvass opinions more extensively. Further revisions were then made and the speech in its present form was discussed and approved by the Political Bureau of the Central Committee. While Comrade Jiang Zemin's speech was delivered in his own name, the truth is that it also represented the views of the Central Committee, the vast numbers of cadres, and the masses. Thus, it is only natural that people demonstrated a high degree of ideological unity and solidarity when they studied and implemented his speech. However, some of our leading cadres did something else. Without making investigation and study beforehand, and without widely soliciting opinions, they instructed members of their writing groups to draft their speeches. This put the writers in a spot. If extensive consultation is not carried out beforehand and the writers are simply told to write something without them being given any idea what to write, what can they do? After all, these

writers do not have a thorough understanding of the overall situation. Thus, some writers simply copied higher-level documents and quoted newspaper reports. Because the things they wrote had little to do with the reality of the locality or department in question, they appeared hollow and void of content. What is the use of this kind of writing? As early as during the first few years after Liberation, Chairman Mao was already opposed to the idea of leaving everything to one's secretary. He said that we should prepare all our speeches ourselves rather than ask our secretaries to do the job (with the exception of particularly important speeches which should be discussed and written by special groups). He did not require the presence of secretaries at meetings. When a minister was asked about work in his ministry, he was expected to give the answer himself. If he could not answer the question forthwith, he had to go back and check his sources.

We practice the party committee system. The party committee implements the principle of democratic centralism and exercises collective leadership. No individual or handful of people can claim the last word. It is necessary to heed the opinions of all concerned. In particular, we must be good at heeding differing opinions. We should not ignore the need to solicit opinions beforehand. If, instead of first throwing the questions open to the floor and drawing conclusions on the basis of a summary of the opinions expressed, we start off by making a lengthy speech stating our personal views, others will feel obliged to keep their opinions to themselves. If, as the number one person, you state your personal views immediately, people will not know whether to agree with you or express dissent. In the 1950's, I told Chairman Mao that when I was secretary of a prefectural party committee in the early years of the war of resistance, party committee comrades would come to me when problems arose. I stated my personal views without giving others a chance to fully express themselves and my recommendations were usually adopted with some minor suggestions from these comrades. Everything seemed to go well. Later I discovered that some prefectural party committee comrades were dissatisfied. They thought I was undemocratic. At that time I could not figure out what was wrong. What do you mean about my being undemocratic? Did we not discuss things together? It was not until 1944 and 1945 when I attended Yanan Central Party School that I came to see where my mistakes lay. Some of the comrades here had also taken part in the rectification of work style in Yanan. What did we study during this rectification campaign? Apart from the struggle between the two lines in the history of the party, we mainly studied the mass viewpoint and the mass line. In other words, we studied the democratic work style. The democratic work style is not a general question of work style and method. It is primarily a question of the mass viewpoint, a question of the mass line. It is not a simple question of whether someone's work style is good or not. Whether one has a

good work style and is democratic has ideological origins. It is not a question of personal character or temperament. What we mean by a democratic work style is in fact the unified expression of Marxist stand, viewpoint, and method.

Chairman Mao once said: "Centralize power on major issues and decentralize power on minor issues. The party committee makes the decisions and the members take care of their implementation. Decisions can be made in the course of implementation provided that they do not depart from the principle. The party committee is responsible for checking up on the progress of work." Did we not call for the separation of party and government functions and oppose the overcentralization of power? Would centralizing power on major issues not lead to the overcentralization of power? I do not think so. What centralizing power on major issues means is that major issues must be collectively discussed and decided upon by the party committee. What is meant by the separation of party and government functions is that the party committee should make decisions on major issues and leave the daily routine work to the government. Of course the work of the government covers more than implementation; it is also responsible for deciding the specific details of work plans. After a principle or policy has been decided upon by the party committee and passed on to the government for implementation, many questions have yet to be addressed. Thus, decisions can be made in the course of implementation without departing from the principle. After a decision has been made by the Central Committee, it is still necessary for the State Council to make decisions on specific details in the course of implementation. The separation of party and government functions does not imply the separation of the party and the government. If the government can disobey the party's leadership and bypass the party committee on major issues, the party's leadership will fall between two stools. If the government can disobey party leadership, and if the people, the political consultative conference, and people's organizations can refuse to accept party leadership and can do as they please, would we have any party leadership left? Would the party not fall apart if this is the case? For one thing, the role of the party as the core of leadership would be out of the question. Of course it is also wrong for the party committee to do the work of the government. There have been some arguments on the question of the leadership structure of enterprises under whole-people ownership. I quite agree that we should bring the enthusiasm of the party committee, the factory director, and the trade union into play. It is not without reason that bringing the enthusiasm of these three forces into play has been compared to driving three-horse carriages. The Seventh Plenary Session of the 13th CPC Central Committee made the following clear-cut provision on strengthening the enterprise leadership structure: We must further bring into play the role of party organizations as the political core, uphold and improve the system of overall leadership by the factory director, and wholeheartedly rely on the working class. Our opinion is that major issues, including the appointment of principal leading personnel and the employment of principal cadres, should be decided upon collectively by the party committee, but the factory director may

nominate candidates. Some major issues have to be discussed and approved by the worker's congress. This way the decision is made by the workers at large. It is quite easy being the factory director. We say that the factory director is the core in the sense that he is the core of administrative leadership and production command as well as the core of operational management. The party committee cannot care take of administration on behalf of the factory director; neither can it give production commands on his behalf. I think Chairman Mao was correct in giving the aforementioned instruction. In other words, the party committee must exercise unified leadership; otherwise, the party will not be able to play its role as the political core. Of course, leaders must pay special attention to carrying forward democracy. They must bring about centralization on the basis of democracy and carry democracy forward under the guidance of centralization. Democracy and centralization are two aspects of a unified entity, and neither aspect is dispensable. Centralization without democracy cannot lead to correct centralization; democracy without the guidance of centralization cannot be effective democracy which truly benefits the people. During the "Cultural Revolution," some people caused great trouble by kicking away the party committees to make "revolution." Many of us have had firsthand experience of this. Some time ago, people talked about playing down the party's leadership, going counter to what Comrade Deng Xiaoping emphasized. Comrade Xiaoping emphasized the need to uphold the four cardinal principles, particularly the need to uphold the party's leadership and follow the socialist road, because only in this way will China have a future. Only the party's leadership can help build New China and only with the party's leadership can New China develop and can we persist in taking the socialist road. Thus, the idea of weakening or abolishing the Communist Party is an out and out erroneous and reactionary idea.

## II. Party Secretaries Must Learn To Be "Squad Leaders"

Chairman Mao said: "A party committee has 10 to 20 members. It is like a squad in the army and the secretary is like the 'squad leader.'" This was the first point he discussed in "Methods of Party Committee Work." The secretary of a party committee must be good at being a "squad leader." The party secretary must unite the squad members so that everyone unites and marches as one; otherwise, he will not be able to lead hundreds and thousands of people in fighting campaigns. The leadership core is an important issue. It must be Marxist-Leninist and must be united as one, with everyone working together with one heart and one mind and making joint efforts. However, this is not done in some leading bodies today. Sometimes the number one person is not democratic in work style. He has the final say in everything and does not want to hear other opinions, least of all critical opinions. The leading group is superficially united but disunited in reality. In some leading bodies, there is no discussion. Chairman Mao said: We should bring the issues out into the open and should not simply discuss matters in private. If ideas are put forward and then summed up, problems can easily be

solved. Only fools would claim the last word and refuse to listen to differing views. One person's understanding, knowledge, and ability are bound to be limited. One must consult with others, particularly with people with differing views. Only in this way can one pool useful opinions and come up with correct views. Why was it that I was criticized for practicing "democracy in form" when I first took up the post of secretary of a prefectural party committee? It was because I always put forward my suggestions without holding consultations beforehand and people felt uncomfortable when they could not rebut me. This kind of democracy in form was in fact an expression of the lack of democracy. I should have briefed comrades on the problems so they could prepare themselves, or exchange views in private, before airing their views to the full at meetings. After arguing things out and achieving a consensus, we could then draw our conclusions. This is what is meant by democratic centralism and a democratic work style. If, rather than doing this, one always claims the last word but has to make changes after a few days because what one said was neither appropriate nor well-considered, one is in fact ruining rather than protecting one's prestige. On the question of using cadres, some comrades tend to employ only their friends and acquaintances. It does not mean that we must never offer jobs to friends but, if they are chosen, it must be because they have both ability and political integrity. We cannot choose someone simply because he is our friend and refuse to choose another because he is not our friend. In choosing persons for jobs, we must see whether they practice Marxism-Leninism and whether they have ability. We must not simply see whether they are our friends. Chairman Mao always talked about mustering people from all corners of the country, saying that we should not have the small-group mentality and should not engage in sectarianism or form cliques. In some units today, different cliques and factions are locked in both open strife and veiled struggle for power and gains. How can we achieve unified party leadership and truly implement democratic centralism this way? According to party practice, the first secretaries do not have any prerogatives and privileges. They are equal with the rest of the committee members. Each person is entitled to only one vote. It goes against the party constitution to place oneself above the party committee and make arbitrary decisions.

Chairman Mao once said that all things are contradictory. Consensus is achieved after different views have been debated and discussed. After we have come to a consensus and solved one problem, a new problem may arise and new disagreements may occur. We thus need to hold further discussions and achieve further consensus. What if we cannot come to a consensus? If some people are in favor of a solution but others are resolutely opposed to it, should we put the matter to vote and make the minority submit to the majority? Except in emergency and special circumstances, we should not resort to this measure as a rule. If views are still divided, we should shelve the matter and not make hasty decisions. We should all go and make our own investigation and

study, talk the matter over with others, and make further deliberation before discussing it in another meeting. If we can do this with regard to small meetings, there is no reason why we cannot do the same with big meetings.

We uphold the party committee system. The secretary of a party committee must be good at being a squad leader and must be good at uniting the squad members. He must not regard himself as infallible, make arbitrary decisions and claim the last word. Chairman Mao also said that we must unite with those who once attacked us, that we must not only unite with those who correctly attacked us also with those who wrongly attacked us. We must give these people a chance to correct their mistakes and unite with them so they can continue working with us. No one is infallible. The only difference is that some make bigger mistakes than others and some make more mistakes than others. How can we refuse to unite and work with people who have made mistakes? On questions of principle, we must resolutely distinguish right from wrong; on matters not relating to principle, we should stress mutual understanding, friendship, and unity, to turn our party into a big and harmonious family. Chairman Mao once said that we must create a lively political situation wherein there is both centralism and democracy, discipline and freedom, and both unity of will and personal ease of mind. What is our situation these days? I have heard from comrades that in some party committees, people still dare not voice differing opinions at meetings. If the first in command is dead set against differing opinions and has his own ideas about certain cadres, people who do not share his views will not dare air their opinions. This shows that the secretary does not have a democratic work style. It also shows that the deputy secretary and members of the party committee have poor party spirit and dare not uphold the principle. Comrade Li Peng once said that there was excessive decentralization in economic work throughout the whole country. Is there excessive decentralization in party work? Has the idea of the subordination of the whole party to the Central Committee been realized in various localities and departments? Is it not true that "when the higher authorities introduce a policy, those below can always find a countermeasure?" This, then, is not genuine subordination. We must implement the decisions and directives of the central authorities in the light of local conditions and we must not try to avoid their implementation or simply do things perfunctorily. The first in command of a party committee must take the lead to rectify his work style, carry democracy forward to the full, practice centralism on the basis of democracy, and further carry democracy forward under the guidance of centralism. When inner-party democracy has been strengthened, centralism on this basis will also be strengthened. This way, our party can achieve unified leadership without a hitch. It will be able to better carry forward its role as the core in socialist construction, in uniting with the people of all our nationalities, and in uniting with all democratic parties.



### III. We Must Develop Criticism and Self-Criticism

As far as I know, criticism and self-criticism within the party are far from adequate. Of course, some units are doing much better than others and I am only speaking in general terms. Is it not true that our party has three major styles of work? They are: Integrating theory with practice, maintaining close ties with the masses, and developing criticism and self-criticism. Today, some people have changed these around to read integrating theory with tangible benefits, maintaining close ties with the leadership, and integrating commendation with self-commendation. Is there really such an undesirable phenomenon? I think there is. We must resolve to eliminate this decadent phenomenon. Chairman Mao said: "Opposition and struggle between ideas of different kinds constantly occur within the party; this is a reflection within the party of contradictions between classes and between the new and the old in society. If there were no contradictions in the party and no ideological struggles to resolve them, the party's life would come to an end." Like everything else, the party advances through the movement of contradictions and, without criticism and self-criticism, it will be unable to constantly overcome inner-party contradictions. This means that the party will be unable to make progress and develop and may even perish. Everyone is talking about decadent phenomena these days. Did not Jiang Zemin talk about this at the meeting marking the 70th anniversary of the founding of the CPC? He said: "If these decadent phenomena are allowed to continue, the party will be doomed to self-destruction." True, the imperialists could not defeat us and their attempts at peaceful evolution have failed to make us evolve into what they wanted. The decision is ours. If we go on being decadent, we will most certainly be doomed. No true communist approves of decadence. The other day, when Comrade Jiang Zemin touched on this question in his speech, everyone applauded with particular enthusiasm. This shows that the majority of party members are dissatisfied with decadent phenomena. Dissatisfaction is a good sign but what is more important, is that we must overcome these decadent phenomena. Without criticism and self-criticism, without struggle, without education, without party discipline, without legal sanction, and without a series of effective measures to overcome these decadent phenomena, everything is but empty talk. Simply listing the decadent phenomena cannot solve the problem. I suggest that everyone should think hard and come up with some effective measures to overcome decadent phenomena as quickly as possible. I would suggest education as one of the measures. We should educate people not to engage in unhealthy and decadent practices. We should urge people who engaged in unhealthy practices, practiced graft, and took bribes to make a clean breast of their wrongdoings if the cases were not serious. If they are truly repentant and surrender all ill-gotten gains, we should consider waiving their punishment. It is only toward those who were guilty of heinous crimes of major graft, and toward ringleaders of corruption cliques, who

have not only refused to make a clean breast but prevented others from confessing, that we should take serious measures of imprisonment and even capital punishment. This has nothing to do with criticism and self-criticism.

Inside the party, what we usually have are ideological struggles and ideological problems. They are no more than struggles between different ways of understanding and between different viewpoints. Toward these kinds of problems, we must abide by the formula stipulated by Chairman Mao. That is, starting from the desire for unity, we should try to resolve contradictions through criticism and self-criticism, or struggle, and achieve new unity on a new basis. Chairman Mao said at the meeting attended by 7,000 persons, and other meetings, that if a person did not make self-criticism and did not allow others to criticize him, he would definitely fall from power, like "the despot king bidding farewell to his imperial concubine." We will not be toppled by other people's criticism and self-criticism will not cause us to fall from power. The experience of many of our comrades is that a person who is good at listening to criticism and is good at making self-criticism is bound to command prestige among cadres and the masses. If a person who has made mistakes is unwilling to make self-criticism and is unwilling to let others criticize him, he cannot have any prestige. What is prestige? If you have become a senior official and have power in your hands, it does not necessarily follow that you will also have prestige. If you are sincere and honest, willing to repent and make self-criticism when you have made mistakes, and responsible to the party and the people, then you will have prestige. If you try to cover up and gloss over your mistakes, putting the blame on others or on your subordinates, will this work? No, it will not work. In 1961, I made a speech on rectifying "Leftist" mistakes, the mistakes of the Great Leap Forward. I put forward the idea of "making every level shoulder the responsibility and the burden." What this means is that the provincial party committees should be responsible for the prefectural party committees, the prefectural party committees should be responsible for the county party committees, and the county party committees should be responsible for the lower levels. We should not simply criticize others but should, instead, educate others by means of self-criticism. When you have made self-criticism, others will also make criticism. At the meeting attended by 7,000, Chairman Mao made his self-criticism. He said: I am chiefly to blame for the mistakes of the Great Leap Forward. My head was swollen for a time. Chairman Mao in fact warned at the Chengdu meeting that people's heads were becoming swollen. He said that some people were running a temperature of 40 degrees and that something needed to be done to lower their temperature. He spoke of tension and relaxation and the need to combine work with leisure. Chairman Mao's head became swollen later than ours, and he sobered before we did. He began to rectify his "Leftist" mistakes at the first Zhengzhou meeting in November 1958. The second Zhengzhou meeting in the spring of 1959 also rectified



"Leftist" mistakes and discussed the law of value, exchanges of equal value, remuneration according to work, and more pay for more work. The Lushan meeting also rectified "Leftist" mistakes at the beginning. Thus, it is not true that Chairman Mao never made self-criticism. He made self-criticism and talked about his shortcomings and mistakes. I have heard quite a lot of these, whether alone with him or with a few others. Thus, the third point I wish to make is that I hope the whole party will wield the weapon of criticism and self-criticism properly, as it is of great significance in overcoming our mistakes; overcoming corrupt phenomena; and further strengthening the party's unity, solidarity, and leadership. The present phenomenon of neither criticizing others nor making any self-criticism is not good. This tendency must be set right.

#### IV. We Must Engage in Heart-to-Heart Talks, Study, and Think Over Problems

Now that the second edition of the four-volume *Selected Works of Mao Zedong* has been published, it is hoped that everyone will study it conscientiously. During these last few days, I again studied a good number of the articles in this collection and I would recommend comrades to do the same with specific objects in mind. "On Practice" and "On Contradiction" are two of these articles. They are about the world outlook, methodology, and materialist dialectics. There is also "Some Questions Concerning Methods of Leadership," which refers mainly to two questions, namely, the integration of the leaders and the masses and the integration of the general and the specific. From the masses, to the masses; take the ideas of the masses and concentrate them, then go to the masses to implement them. Chairman Mao said that seeking truth from facts and the mass line form our party's basic line. Sometimes he referred to the mass line as our basic method of work. There is also the concluding part of his Report to the Seventh National Party Congress, subtitled "The Whole Party Must Unite and Fight for the Realization of the Party's Tasks," which talked about the three major styles of work. It explained in great detail what is meant by integrating theory with practice, what is meant by maintaining close ties with the masses, and what is meant by criticism and self-criticism. In the concluding part, he said: "Countless revolutionary martyrs laid down their lives for the interests of the people. We who still live are saddened every time we think of them. Is there any personal benefit that we cannot sacrifice, any mistake that cannot be cast away?" In commemorating the 70th anniversary of the party's founding, comrades should carefully think over these remarks by Chairman Mao. I sat on the Southern Hebei Work Committee in 1937. We started off with four comrades but three eventually laid down their lives and I was the lone survivor. What was on our minds those days? It was revolution and a willingness to sacrifice at any time. If we are afraid of dying, we should not join the revolution in the first place; if we want to make revolution, we should not be afraid to die. Another article is "Methods of Party Committee Work," which forms the

concluding part of Chairman Mao's "Report to the Second Plenary Session of the Seventh CPC Central Committee." Still another article is "On the People's Democratic Dictatorship." The West now calls us totalitarian and autocratic and says that we are ignoring human rights. Well, let them say what they want. Chairman Mao said that toward oppression by the hostile classes, totalitarianism and autocracy are magic weapons. They are things revolutionary people have learned from the counterrevolutionaries. Imperialist countries practice bourgeois dictatorship, which can also be called bourgeois autocracy. Their democracy toward the people is sham democracy. It is true that the system of democracy in our socialist country is still imperfect. That is why we still need to develop socialist democracy. However, democracy must be combined with dictatorship. Dictatorship over the reactionaries and democracy for the people are both indispensable. There are still imperialists abroad and there are still remnants of reactionaries at home. How can we do without dictatorship measures. Some muddle-headed comrades did not understand this, believing that there is genuine democracy, liberty, and human rights in the United States. The fact is, there are many people in the United States who do not have a roof over their heads and do not have enough to eat or keep themselves warm, and the Blacks are still discriminated against. When the Communist Party is toppled and representatives of the bourgeoisie come to power, they will practice dictatorship of the bourgeoisie. There will not be any democracy. These six articles can be found in the four-volume *Selected Works of Mao Zedong*. An article in Volume 5, published in 1977, is also worth studying. It is, in fact, an article comprised of two speeches delivered by Chairman Mao, on 18 and 27 January 1957, at a meeting of party secretaries of provinces, municipalities and autonomous regions. These speeches were vividly and profoundly written and still have practical significance today. I hope comrades will go and find this article and read it. It is, in fact, the first draft of "On the Correct Handling of Contradictions Among the People." I would suggest that comrades read these articles once a year or, at least, once every three years. My experience is that we will always find something new every time we reread these articles. It is a very educating experience because it will give us new inspiration. Thus, we must find the time to read. This is the first point I wish to raise on this topic.

Second, we must learn how to conduct heart-to-heart talks. In our ideological work, it is useful to organize big report meetings. In the present lecture on party work organized by the working committee of organs directly under the Central Committee, we have invited some veteran comrades to talk about their practical experience. This will do comrades a lot of good. However, we cannot simply organize big report meetings. We still need to engage in heart-to-heart talks. Chairman Mao also said we should confide what we have in mind and engage in heart-to-heart talks. He did it himself.

Chairman Mao made a big mistake launching the "Cultural Revolution" and I was one of the victims. However, I am still grateful to Chairman Mao, I still love Chairman Mao. I have benefited a great deal from the education given to me by Chairman Mao over the years. He encouraged us to air our views and engage in heart-to-heart talks, and had several heart-to-heart talks with me, each lasting one or two hours. Every time he went to Wuhan, he would instruct one of his men to telephone me and ask me to meet him at the station. He did not really want me to pick him up; he just wanted to talk with me in the car. Every time we met, he would ask me to brief him on the latest happenings. He would never ask for a full report. If you carried a big file with you and simply read from it, he would not listen. I first reported work to Chairman Mao in Wuhan in 1953. I had a big file with me containing all the facts but I had no occasion to use it. He did not want to talk about those things. He just asked questions. Who knows what he would ask? You just answer whatever questions he asked. He asked you about the latest happenings because he wanted to know what you had discovered in work, whether you had gained any new experience, and whether there were any loopholes anywhere. Sometimes he would tell you about the past. He would talk about his personal past, how he spent his childhood, and what he did after joining the party. He also wanted others to confide in him. He would feel very happy if you were straightforward with him. When we were traveling together by train in spring 1959, I told him about my trip to Macheng County. I had gone there to participate in labor and to help the peasants plow the cotton fields. The county party secretary introduced me to the masses, announcing to them that Comrade Wang Renzhong, first secretary of the provincial party committee, had come to join them in labor. He applauded after making the introduction but the response from the masses was anything but enthusiastic. The reason was that at that time people did not have enough to eat. They had a lot of complaints and were unhappy. I felt very upset then. Chairman Mao said: I hear that Hunan has done quite well in making livelihood arrangements. Why not come to Hunan with me? That was our trip to Shaoshan. On that particular occasion, we discussed all kinds of questions about the party's history, his past, my past, my views on current work, and so on. Chairman Mao was always like that. Every time he traveled out of Beijing, he would send for the local responsible persons and let them go back after a couple of hours' talk on the train. He would have heart-to-heart talks with people as he traveled from place to place. In most cases, it was a one-to-one chat. This way people could truly confide in him and he could familiarize himself with the local situation and make friends with the people to whom he spoke. We cannot make too many friends. We must be selective. When I was working in Hubei, I kept in close touch with a number of labor models, university professors, writers, and artists. We often had informal meetings for heart-to-heart talks. I suggest that comrades should do the same. There must also be heart-to-heart talks within the leading groups. If we know that a certain comrade has

complaints about us, we should speak to him in private and sincerely ask him to talk about his complaints. People mean well when they make critical comments to us. They only wish to help us. Therefore we should welcome their criticism.

There should be heart-to-heart talks both within and outside the party. Chairman Mao once brought Li Zhuchen [2621 3608 1057] with him when he came to Hubei. Li, a former minister of light industry, was a Tianjin capitalist dealing in fine table salt. From their private discussions on the way, Chairman Mao found out a lot about what the democratic parties and capitalists thought. On another occasion, he traveled with Zhang Zhizhong [1728 3112 0022] to Hubei and then to Anhui. They had meals and heart-to-heart talks together all the way. This work style of Chairman Mao's is worth emulating.

We should study and conduct heart-to-heart talks. Having read the books and understood the situation, we have to think over problems and use our brains. Not everyone is correct in his views. Some views are correct; others are incorrect. Some views are omnidirectional; others are one-sided. We must be good at collecting all sorts of views and turning these ideas into our ideas after making analysis and drawing conclusions from them. This is called thinking problems over. Chairman Mao often compared the human brain to a processing factory. In January 1956 we had a meeting in Hangzhou to discuss the outline program for the development of agriculture. This outline was later referred to as the 40-article outline but, at that time, there were only 17 articles. He read the articles one by one and we discussed them one by one. This outline was finally approved. He said something which I can still remember clearly after all these years. He said: Toward you first secretaries of provincial party committees, my worry is not that you would simply eat three square meals a day and do no work. You would not make that kind of mistake. What is my worry, then? My worry is that you will become so immersed in work that you end up making the mistake of routinism and bureaucratism. By taking everything, big or small, into your own hands, you will not have any time for investigations and study and you will not have time to think over problems. This way you will make mistakes, big mistakes. This teaching by Chairman Mao is of profound significance. He pointed out the common failing of our cadres: They are active in work and are kept busy all day, even working through the night. At the end of a day's work, they are exhausted and have no time to read books or to think over problems. I was first secretary of the Hubei Provincial CPC Committee for 12 years and was concurrently second secretary of the Central South Bureau during the last few years. Each year, I spent a lot of time outside but I did not feel the strain or feel exhausted. I even had time to read, to write articles, even to go down to the villages to conduct investigations and study. Why? There is only one way and that is to practice division of labor. Major issues should be decided upon collectively and routine work should be divided up among comrades. I divided work

among my colleagues, letting them make the necessary decisions in day-to-day affairs. I would not bother them with questions. This way I had my own time and would not be kept too busy. We had the governor to take care of the provincial government work. Under the governor, there were vice governors and people responsible for agricultural, financial, and industrial matters. Thus, the governor was also not up to his eyes in work. Provided there is division of work, we will definitely be able to find time to study, to have heart-to-heart talks, to conduct investigations and study, to think over problems, and even to write articles. We should draft our own speeches. I never read from prepared speeches. I just jotted down notes and read this outline over after it was prepared. If necessary, I would have it distributed to others. If there was no need for this, I did not even do this. I would never ask others to do the job for me. Sometimes, at important meetings, I might be handed a prepared speech, but I would not simply read from it. I would distribute the speech to the participants but I would say what I wanted to say. I think it works better that way.

#### NANFANG RIBAO Interviews Wang Meng

HK1712131891 Guangzhou NANFANG RIBAO  
(WEEKEND SUPPLEMENT) in Chinese 13 Dec 91 p 1

[Article by Liang Mai (2733 6701): "Interviewing Wang Meng"]

[Text] I have long wanted to visit Wang Meng, especially after reading and becoming addicted to his column "Book Review," which he initiated in the journal DU SHU [READING 6236 2579]. However, Wang Meng is very "mobile" and unless one has an appointment, one is more likely to miss him. At a seminar on Latin American literature organized by the Academy of Social Sciences Foreign Language Institute, I greeted him hurriedly. A few days later, I heard he was involved in a "lawsuit." So I rushed to see him immediately.

Actually, Wang Meng is not aloof, arrogant, or bureaucratic as he is thought of by ordinary people. From afar, he is a world-renowned writer; up close, he is also a trusted friend. The most precious thing about Wang Meng is that scholarly demeanor that reveals itself as he chatters away cheerfully—calm, collected, and unhurried.

When I arrived, Wang Meng was on the telephone. I took the opportunity to search through his several "towering" bookshelves. Wang Meng's works have been translated into almost every language in the world. Different editions of his short story, prose, and essay collections are found lining his shelves. In comparison, some of his works printed by mainland publishing firms appeared to be lost in the huge collection.

A short while later, Wang Meng entered the room. He told me that he has visited many places in the past year or so. He was either invited to take part in some literary activities, or he himself took off for leisurely trips. In particular, he was recently invited to Singapore, where

he participated in the "world writers' week" activities. In short, he was having a fairly good time.

Recently, Wang Meng has also been publishing a number of works, like the *Inspiration From the Dream of the Red Chamber*, to be published by the Joint Publishing Company. In Wang Meng's own words: "This book is quite refined." In addition, the People's Literature Publishing House also put out his *Prose on Style and Adventures in Outer Space* (the latter is a collection of short stories), while the Huaxia Publishing Firm is presently preparing publication of yet another of his new works—*I Dreamed of You Again*. Someone actually remarked that the title sounded like the title of a popular song. Wang Meng has also started using a computer, and not his pens, to write.

Wang Meng was the culture minister from 1986 to September 1989 and remains a member of the CPC Central Committee. "Actually, as early as 1 October 1988, I had already presented my resignation to the leading comrades of the party Central Committee," Wang Meng said. "Even before that, I had also told the central authorities repeatedly that I would remain in the position for a maximum of three years. After relinquishing the culture minister's position, it is as you understand and know: less administrative work and better physical health. I have also written a lot of things and published some personal collections."

"A stream of visitors" drops by Wang Meng's house everyday. He has many friends who come to see him, including some very close ones from the literary and arts circle, and others from other circles like reporters. I find that there are increasingly more and more people who ask him to write a foreword for their books. Since they are all friends or are recommended by friends, he naturally finds it hard to turn them down. And once Wang Meng has given his word, he can be expected to write with care and seriousness, regardless of who it may be written for. For instance, Hu Xin sought him out for his *Rain of Roses*; Jiang Kun and Liang Zuo for their collection of comic dialogue, *Daydream at the Mouth of a Tiger*; and even the noted writer Han Shaogong asked him for a similar favor. In the foreword of He Xingan's *Commentary on Shen Congwen*, he wrote: "The writer relies on his own works to attract attention and concern. A writer's fate could also make one sigh and shake one's head. It could sometimes become a work of immense emotional appeal. I do not know if this kind of fate is a kind of sadness."

I personally adore some of Wang Meng's essays written in a flowing style, like *Let's Talk About a Bit of Logic, On Education Fatigue, Understood or Not Understood*, and others. In the preface of *Inspiration From the Dream of the Red Chamber*, Wang Meng wrote candidly: "To this day, I have yet to finish reading *The Dream of the Red Chamber*, but I have not given up and plan to continue reading it. To a reader like me, *The Dream of the Red Chamber* is the only book which one can never finish reading, one can read on forever, and can start from any page."



In his spare time, Wang Meng likes to listen to soft music and go swimming twice a week. He has a special fondness for cats. While his own meal is prepared by other people, Wang Meng personally takes care of his cats' meals. He said amusingly: "Most people complain about a cat having too many kittens and refuse to have them as pets. I am the opposite. I would never give away any of the kittens."

Wang Meng is 57 years old this year but he appears to be in good spirits and boasts a head of dark hair. Asked about the secret of his youthful looks, he shook his head laughingly: "One, I do not dye my hair, and two, I never use the medicinal herb 101. But my hair has always grown well and dark. It must be some kind of miracle."

Wang Meng may be a proficient writer, but he also indulges in many leisurely pursuits. "Because I believe that as a writer, I should first and foremost maintain an excellent state of mind," Wang Meng said. "Writing is a writer's only and greatest joy." Hence, aside from the "lawsuit" and a long novel he is currently writing, he "lives a carefree life": climbing Xiang Shan to admire the maple leaves, stealing time to return to his hometown for a few days, and sitting around with his townfolk to eat grilled yams and gruel. In a few days, he will be setting off for Hangzhou, where he will take part in the inauguration of a Joint Publishing Company branch there. Before seeing me to the door, Wang Meng said to me with an air of satisfaction: "Before you came here today, I personally kneaded some dough and ate some pancakes and gruel. I particularly love to eat gruel."

#### **Tian Jiyun Speaks on Civil Affairs Units' Work**

OW1512120291 Beijing XINHUA Domestic Service  
in Chinese 0941 GMT 14 Dec 91

[By Central People's Radio reporter Li Renzhu (2621 0088 0031) and XINHUA reporter Chen Yan (7115 7159)]

[Text] Beijing, 14 Dec (XINHUA)—Speaking today at a national meeting of civil affairs departments on disaster relief operations, State Council Vice Premier Tian Jiyun, leader of the National Leading Group for Natural Disaster Relief and chairman of the China Committee of International Decade for Natural Disaster Reduction, stated: Disaster relief operations should be launched in close conjunction with disaster reduction. The state will increase input in disaster reduction efforts, build key projects to prevent and reduce natural disasters, and improve the ability to prevent and fight natural calamities.

Tian Jiyun said: Our country is prone to natural disasters. Each year, natural disasters strike some 800 counties, causing varying degrees of damage to 200-300 million people and more than 700 million mu of crops. Direct economic losses caused by natural disasters range up to 80 billion yuan. This makes disaster relief operations long-term endeavors.

Tian Jiyun noted: The party and the government have always taken disaster relief operations seriously. They have

long established and implemented the strategic principle of "combining prevention with relief while focusing on prevention." It is necessary to continue this principle in the future. In conjunction with the International Decade for Natural Disaster Reduction, we should conduct an extensive publicity campaign to promote disaster prevention and reduction in an effort to improve awareness about disaster reduction in society at large.

In his speech, Tian Jiyun fully affirmed the important contributions made by civil affairs departments toward disaster relief operations. He said: During this year's disaster relief operations, comrades in civil affairs departments achieved remarkable results in keeping track of disaster situations, providing disaster-related information, rescuing and evacuating disaster victims, receiving donations, delivering disaster relief supplies, resettling disaster victims, and assisting leading party and government organizations in planning disaster relief operations. Fully affirmed and highly praised by various social sectors, these achievements proved satisfactory to the party Central Committee, the State Council, and the people in disaster areas. On behalf of the party Central Committee and the State Council, he expressed heartfelt thanks and regards to cadres, workers, and staff members working on the civil affairs front lines.

In his speech, Tian Jiyun specifically noted: During the drive to seek donations, the Ministry of Civil Affairs and the China Committee of International Decade for Natural Disaster Reduction's office handled over 30,000 donations and processed more than 50,000 documents and cables. This record and that achieved by local civil affairs departments at all levels in receiving more than 2.3 billion yuan worth of donated cash and goods indicate high efficiency and an orderly process of receiving donations. More than 4 billion yuan worth of cash and goods donated toward the disasters were delivered by civil affairs cadres to disaster victims in various parts of the country. Facts attest to the good quality and competence of civil affairs workers.

The meeting, which opened in Beijing on 12 December, commended 267 model individuals and 75 advanced collectives that performed brilliantly during flood control and disaster relief operations.

#### **Li Ruihuan Inscription for Books on Strategy**

OW1512105791 Beijing XINHUA Domestic Service  
in Chinese 1306 GMT 13 Dec 91

[By reporter Hu Nianqiu (5170 1628 4428)]

[Text] Beijing, 13 Dec (XINHUA)—A series of books on strategy have been published recently, and will be sold in and outside the country. Li Ruihuan and others wrote inscriptions for the collection.

The series of books is divided into three parts, namely *The Think Tank* [mou lue ku 6180 3970 1655], *On Strategy*, and *Strategists*. The entire collection has a total wordage of



about 2 million characters. Guided by Marxism-Leninism-Mao Zedong Thought, and based on the practice of strategy at home and abroad from ancient times to the present, the collection has probed the history of strategy; analyzed and compared strategies in various trades and professions; penetratingly explained the mechanism, structure, method, principle, psychology, ideology, and creation of strategy; explored the common law of strategy in the political, economic, military, and other fields; and provided basic theory and introductory knowledge for those who wish to learn and improve their resourcefulness.

Chi Haotian, member of the Central Military Commission and chief of the General Staff of the People's Liberation Army, points out in the preface for the series: Today, as science and technology are highly developed and the demand for strategy has become increasingly stronger in order for various professions to cope with the fierce competition at various levels, we should do scientific research and create a brand new science—the science of strategy.

Chai Yuqiu, deputy secretary general of the China Military Science Society, is the chief editor of the series of books.

#### **Li Ruihuan Meets Artist, Watches Performance**

*OW1512110191 Beijing XINHUA Domestic Service in Chinese 1532 GMT 13 Dec 91*

[By reporter Feng Yingbing (7458 3841 0393)]

[Excerpts] Beijing, 13 Dec (XINHUA)—Some famous quyi [a form of performance folk art] and opera performers from Beijing and Tianjin staged a special performance at Beijing's Jixiang Theater today to commemorate the 60-year quyi artistic career of Luo Yusheng, an artist in story-telling in the Beijing dialect with drum accompaniment. Li Ruihuan, member of the Standing Committee of the CPC Central Committee Political Bureau and member of the CPC Central Committee Secretariat, watched the performance.

Before the performance, Li Ruihuan cordially met with Luo Yusheng. The minute the meeting began, Li Ruihuan clasped Luo Yusheng's hands tightly and extended congratulations repeatedly. Luo Yusheng bowed deeply to Li Ruihuan and said: "Former mayor, thank you for your care and support!" She continued: "I am very excited today, but instead of being excited and touched, I should take practical actions." She indicated her intention of continuing to perform quyi splendidly, training her students well, polishing her artistic skills, and providing better services to the people.

Other well-wishers and spectators at tonight's performance included Rong Gaotang, responsible persons from relevant departments, and people from literary and art circles. Responsible comrades from the Tianjin Municipal CPC Committee attended the performance to extend congratulations. [passage omitted]

After the performance, representatives from quyi and opera circles in Beijing and Tianjin offered baskets of flowers and congratulatory messages to the highly-respected Luo Yusheng in yet another round of greetings. Li Ruihuan walked onto the stage and had a photo session with Luo Yusheng and all the cast members.

The special performance was jointly sponsored by the Chinese Association of Ballad Singers, the Tianjin Municipal Culture Bureau, the Tianjin Municipal Federation of Literature and Art, and the Tianjin Quyi Association. Two more performances will be staged, on 14 and 15 December.

#### **Li Tieying Honors Parents of Star Athletes**

*OW1512101191 Beijing XINHUA Domestic Service in Chinese 0648 GMT 14 Dec 91*

[Text] Beijing, 14 Dec (XINHUA)—An awards ceremony was held at the Great Hall of the People in Beijing today to present "Lizhu Dele Cups" to outstanding parents of star athletes selected in nationwide activities.

The parents of our country's celebrated athletes Zhou Lingmei, Xiong Guobao, Gao Min, Xie Jun, Deng Yaping, Xia Jiaping, Yan Ming, Guo Linyue, Lin Huirong, and Zhang Qiuping were awarded the national title of Outstanding Parents of Star Athletes. The parents of seven other athletes, including Qiao Hong, were commended.

These parents, who used to watch their children win awards, today "personally experienced the honor" and mounted the podium with fresh flowers in their hands.

State Councillor Li Tieying, member of the CPC Central Committee Political Bureau; Chen Muhua, vice chairman of the National People's Congress Standing Committee; Wu Shaozu and Liu Ji, minister and vice minister in charge of the State Physical Culture and Sports Commission, respectively; and Wang Shuxian, secretary of the All-China Women's Federation's secretariat, presented awards to the outstanding parents.

Speaking on behalf of the outstanding parents, Xie Yunge, father of world chess champion Xie Jun, said: "The party and the socialist system should be credited with our children's winning of honors for the motherland and the people." He expressed the belief that more parents will show concern for the development of physical culture and will support their children's efforts in physical culture and sports.

Speaking at the awards ceremony, Yuan Weimin, chairman of the evaluation committee for the event and vice minister in charge of the State Physical Culture and Sports Commission, said: Our country has achieved notable success in physical culture, thanks to the support and dedication of countless people who are the parents of our athletes.

The activities, started in March this year, were jointly sponsored by the China Sports Writers Association, China Central Television, and JIATING magazine.

**Meeting Views Urban Educational Reform Experience***OW1612111691 Beijing XINHUA Domestic Service  
in Chinese 1329 GMT 13 Dec 91*

[By reporter Zhao Wei (6392 5898)]

[Text] Changzhou, 13 December (XINHUA)—The basic principle for comprehensive reform of China's urban education was clearly and definitely presented at a national meeting on exchanging experience in the comprehensive reform of urban education. The meeting closed today. The State Education Commission pointed out that while increasing the depth of reform, from now on we should carry out the comprehensive reform in more cities.

In his summary report, Liu Bin, vice minister of the State Education Commission, summarized in four points the basic principle for the comprehensive reform of China's urban education. First, the reform must serve local socialist construction focused on economic construction, and urban educational development should be included in the overall plan for economic and social development. Second, with the exception of large cities, in which there are institutions of higher learning, comprehensive educational reform in average cities deals mainly with secondary and lower-level education, adult education, and on-the-job training. Third, comprehensive urban educational reform must fully satisfy the needs of local enterprises with respect to specialized personnel and skilled workers, in consideration of the characteristics of local economic structure, industrial structure, and job market. Fourth, comprehensive urban educational reform must serve as an example for the surrounding rural areas. Also, the cities should provide rural areas with such services as overall planning, vocational guidance, and teachers' training, and they should open the way for specialized personnel and skilled workers to go to work in rural areas.

Liu Bin pointed out in his report: Comprehensive urban educational reform is a complex matter involving a wide range of issues. Therefore, we must emphasize comprehensiveness. The integration of education with economic and social development is related to overall planning for the economy, science and technology, and education, as well as the relationships among planning, personnel, labor, and education. For this reason, we must carry out a successful reform of the urban education management system, enhance the power of local governments in making overall educational policy decisions, and promote cooperation among all departments that participate in management of urban education. At the same time, it is necessary to strengthen the macro-control functions of the education administrative department. In addition, we should do a good job in handling the relationships among various kinds of education, such as the coordination between pre-job education and post-job education, overall planning for basic education, vocational and technical education, and adult education, as well as the relationships between various educational levels.

The five-day meeting was sponsored by the State Education Commission. The participants included mayors [as received] in charge of education in 100 cities and responsible individuals from the educational departments of 30 provinces, autonomous regions, and municipalities of China.

**Awards Given to Publishers of Foreign Books***HK1612001591 Beijing CHINA DAILY in English  
14 Dec 91 p 5*

[By Shu Qian: "Publishers Win for Quality, Not Quantity"]

[Text] Having completed the mammoth task of publishing 7,000 volumes of foreign literature during the past 11 years, China's publishing houses certainly deserve a prize.

Now the First National Award for Good Foreign Literature Books, a prestigious, homegrown award, has taken care of that. The new awards have just been handed out to 96 books published by 39 publishing houses from January 1980 to December 1990.

An 11-member jury of experts and publishing house executives chose from the long list of 500 nominees.

"I hope the awards reflect the job we have done in translating and publishing foreign literary works in the past 11 years and set a new standard for future publishing work," said Yang Muzhi, director of the Book Department of the State Administration of Press and Publication.

Since 1986, the number of foreign literary books published in China has leaped from about 100 a year to near 2,000. Few influential literary works are missed.

But despite the encouraging increase, foreign literary book publishing is still in a lamentable state.

One of the unhealthy signs is that the proportion of popular fiction and other mediocre books is increasing at a fast clip. They represented almost half of last year's total.

"Some publishing houses regard foreign literature as a ready source of money and just pick up a hit and start publishing," said Yang. It is common to see a popular work published several times, he added.

As China plans to join the International Copyright Organization, some publishers are wondering what to do next.

**Symposium**

In a symposium that followed the award ceremonies, about 40 editors and executives from China's publishing houses discussed the problems they currently face.

"The craft of publishing is more of a balancing act," said Liu Shuoliang, the vice-chairman of the Lijiang Publishing House. "You should know when to start and when to stop. Rushing headlong into publishing popular books is silly."

He noted part of the readership has become fed up with the mediocre fare and started looking for once-popular literary masterpieces again. Even Proust's highbrow *Remembrance of Years Past*, published by the Yilin Publishing House in Shanghai, has sold well.

He suggested publishing houses pay more attention to foreign literature with more cultural appeal.

With the onset of the copyright system, publishing houses will experience a short period of economic strain. But according to Kou Xiaowei, head of the Second Office of the Book Department, the system will prove beneficial in the long term to China's publishing.

"Publishing houses will be more careful in choosing their titles," he said. "It will greatly reduce random publishing and help to establish a more systematic approach."

#### **Childrens Newspaper, Periodical Group Formed**

OW1512120091 Beijing XINHUA Domestic Service  
in Chinese 1402 GMT 13 Dec 91

[Text] Beijing, 13 Dec (XINHUA)—The establishment of the China Childrens Newspaper and Periodical Workers Association was announced at the Great Hall of the People in Beijing today. In 1er congratulatory message, Vice Chairman Kang Keqing of the CPPCC [Chinese People's Political Consultative Conference] National Committee said: The association will organize a powerful contingent of propaganda and educational workers, who will certainly provide a resourceful and colorful world for children in their pursuit of cultural studies.

Recent statistics show that there are 89 childrens newspapers and 135 childrens periodicals across the country. With the founding of this association, several thousands people working for these 224 newspapers and periodicals have, for the first time, their own organization. Shen Yu, director and chief editor of the Chinese Pioneers, was elected president of the association. President Kang Shien of the work committee for nurturing the next generation was invited to act as the honorary president of the association. Hu Dehua, Standing Committee member of the NPC [National People's Congress] and veteran worker of childrens newspapers, and Wang Qianghua, deputy director of the State Press and Publication Administration, act as advisers to the association.

Comrade Hu Qiaomu also sent a congratulatory message.

Comrades Li Desheng, Kang Shien, Yan Jici, Chen Muhua, Wang Guangying, and Li Keqiang, as well as nearly 200 representatives from more than 140 childrens newspapers and periodicals in 22 provinces, cities, and autonomous regions, attended today's meeting.

#### **More Houses Planned for Urban Residents**

OW1512094291 Beijing XINHUA in English  
0918 GMT 15 Dec 91

[Text] Beijing, December 15 (XINHUA)—China plans to build a total of 1.65 billion square meters of houses in urban areas in the next ten years, 400 million square meters more than those built in the 1980's, according to a senior government official.

When completed, Minister of Construction Hou Jie said, the average per capita living space for urban Chinese will increase to eight square meters in the year 2000 from the current 7.1 square meters.

Meanwhile, China will remodel some one billion square meters of old urban dwellings to ensure that as much as 80 percent of the houses have private kitchens and toilets by the end of this century.

Hou said, about 150 million square meters of new houses will be built every year during 1991-1995 period. Priority will be given to providing housing to those families with living space less than four square meters per person or those with no houses of their own at all.

The housing construction during the last five years of this century will aim at "upgrading the living conditions and beautifying the surroundings", according to Hou.

The minister did not say how much the central government will invest. But he said that as part of the housing reform, the construction cost will be shared among the state, enterprises and individuals.

"The proportion of the funds collected from enterprises and individuals will increase," Hou said.

There are over three billion square meters of housing of various kinds in China's cities and towns, among which 35 percent are apartments.

At present, about 5.27 million families are living in the houses with per capita living spaces less than four square meters. And as many as 32 million square meters of housing need to be revamped.

#### **Military**

##### **Li Peng Cables Greetings to Xinjiang Troops**

OW1312060091 Urumqi Xinjiang Television Network  
in Mandarin 1655 GMT 12 Dec 91

[Report by Xiao Pu and Cai Bingxiong; from the "Xinjiang News" program]

[Text] Premier Li Peng, while flying over (Hongqilafu) mountain pass in a special plane on his way to visit the Republic of India on 11 December, cabled a message to People's Liberation Army [PLA] commanders and fighters stationed there.

The premier's message said:



I sincerely extend my cordial greetings to you on my way to visit the Republic of India.

Stationed at the highest frontier post of border defense for the motherland, and bringing into play the PLA's glorious revolutionary tradition, you have defied difficulties and hardships, held fast at your posts throughout the year, and performed meritorious service in safeguarding the socialist motherland's peaceful construction and its people's peace and happiness. Therefore, I extend to you the gratitude, highest tribute, and warm regards from the Central Committee and the State Council, as well as the people throughout the entire country. Meanwhile, I and all members of my delegation wish you good health, happiness, and continuous progress.

#### **Jiang Zemin Commends Army Acrobatic Unit**

*OW1612045091 Beijing XINHUA Domestic Service in Chinese 2142 GMT 14 Dec 91*

[Text] Beijing, 15 Dec (XINHUA)—The Central Military Commission recently issued an order to confer the honorary title "Model of Art Circles" on a fighters acrobatic troupe.

The order, signed by Jiang Zemin, chairman of the Central Military Commission, said: Since its establishment in 1951, the fighters acrobatic troupe of the art ensemble under the Political Department of the Guangzhou Military Region has unswervingly implemented the party's principles on work in literary and artistic fields; adhered to the correct orientation of serving the people, socialism, and the goal of consolidating and enhancing the Army's combat capability; conscientiously done a good job in political work; strived to scale the heights in art; and achieved marked results in performing missions at home and abroad. It is an outstanding model among China's military art troupes, which has made sustained efforts to be socialist-minded and vocationally proficient.

The order of the Central Military Commission said: The fighters acrobatic troupe has firm political beliefs and loves the socialist motherland. In the face of the offensive of the bourgeois liberalization trend and provocation by reactionary elements abroad, the performers firmly remained loyal to the party and to their socialist beliefs and steadfastly maintained the true political quality and lofty values of revolutionary soldiers. Particularly when they were performing in Japan, Germany, and Hong Kong after the suppression of the turmoil during spring and summer of 1989 and the counterrevolutionary rebellion in Beijing, they held out against a small number of people who tried to incite them to join the so-called "grand pro-democracy demonstration" and justly and forcefully refuted some provocative questions by foreign journalists. In their 74 performances in 47 countries and regions during these years, they have not only perfectly completed their missions but have also played a positive role in promoting exchanges and ties between China and those countries and regions and thus won the title "goodwill diplomatic envoys." They trained assiduously and were perfect in performing. To

win honor for the motherland and the Army, they work hard to improve their skills while creating and rehearsing new programs. Almost every member of the troupe has shed blood and been wounded during such harsh training. Since 1979, five of the troupe's programs have won nine gold medals, and 61 members have won gold trophies in major international or national acrobatic contests; 68 of the troupe's programs and 87 members have been awarded in a variety of contests and performances throughout the country and Army and have made contributions to promoting national culture. They worked hard to perfect their performing skill and strictly observed discipline. No matter how busy they were in touring abroad or in preparing for contests, they always persisted in sending small units to troops stationed in frontiers, islands, and mountainous areas and brought the best programs to the barracks. Wherever they went, they would stage one show after another regardless of the tossing of the sea, fatigue on the journey, or summer heat. Once they staged 108 shows in two months and were warmly welcomed by the large number of cadres and fighters. The troupe is strictly administrated. Every member of the troupe sets a fine example in observing disciplines as well as all rules and regulations. They have passed through customs more than 100 times, and none of them has been found to carry contraband goods.

The order called on all comrades in the Army, especially the large number of artists, to learn from the fighters acrobatic troupe—emulating their high political awareness of being loyal to the party, motherland, and socialism; emulating their efforts to integrate their work with targets of the motherland's great cause of the four modernizations' drive and Army building, and their strong devotion to work and sense of responsibility for the best performance; emulating their stern workstyle of assiduous training, fraternal unity, and strictly obeying disciplines and working hard to build a modern, regular, and revolutionary Army.

#### **Yang Baibing Addresses Acrobats**

*HK1812031591 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 17 Dec 91*

[Text] Today, the Guangzhou Military Region solemnly called a meeting to confer the Central Military Commission's honorary title "Model of the Artistic Circles" on the fighters acrobatic troupe. At the ceremony, Yang Baibing, secretary general and director of the General Political Department of the Central Military Commission, read an order signed and issued by Jiang Zemin, chairman of the Central Military Commission, about conferring the honorary title "Model of Artistic Circles" on the fighters acrobatic troupe of the song and dance ensemble under the Political Department of the Guangzhou Military Region. He also gave an important speech.

In his speech, Yang Baibing extended warm congratulations to the fighters acrobatic troupe on behalf of Jiang Zemin, the Central Military Commission's chairman; Vice Chairmen Yang Shangkun and Liu Huaqing; and



the General Political Department. Yang Baibing said: The road the fighters acrobatic troupe has taken over the past 40 years inspires the literary and artistic work of the troops. First, they are geared to the needs of the troops and serve the grass roots, and always preserve the true qualities of fighters. Second, they incessantly blaze new trails, dare to scale heights and always maintain very high artistic pursuits. Third, they attach importance to what is of basic importance and strictly manage the troupe, and always maintain fine artistic ethics and style. It is necessary to study conscientiously and implement the spirit of the order issued by the Central Military Commission about conferring the title on the fighters acrobatic troupe, further strengthen and improve leadership over literary and artistic work, and write a more glorious chapter for developing and invigorating the literary and artistic cause of the troops.

At the meeting, Zhang Zhongxian, political commissar of the Guangzhou Military Region, introduced the basic experience of the fighters acrobatic troupe of resolutely implementing the party's principles for literary and artistic work, and always sticking to the red and expert road. Gao Zhengtian, deputy political commissar of the military region, read the decision of the CPC Committee of the military region on further learning from the fighters acrobatic troupe of the song and dance ensemble under the Political Department of the military region. Huang Hao, member of the Standing Committee of the Guangdong provincial party committee and head of the Propaganda Department, gave a speech to express warm congratulations on behalf of the Guangdong provincial party committee and provincial government.

#### Chief of General Staff Calls for Modernization

HK1712130691 Hong Kong AFP in English 1249 GMT 17 Dec 91

[Text] Beijing, Dec 17 (AFP)—Chief of General Staff Chi Haotian has called for the modernisation of the Chinese Army so it could be ready for war at any time, the Liberation Army Daily [JIEFANGJUN BAO] said Tuesday.

Recapping the goals set for the People's Liberation Army (PLA) for next year, General Chi demanded his men have both "combat spirit" and modern arms and equipment, the newspaper said.

"We must be ready to go to war at any moment," the general said, adding that raising the Army's quality was the essential task for the coming year.

The military must "have a perfect mastery of high-level military training," including "scientific training," to be ready to face any kind of situation, he said.

Chi's remarks appear at a time when China's leadership has expressed its concern at the regional and global threats posed by instability stemming from the collapse of the Soviet Union.

The Gulf war led many people in China's military to ask about the possible performance of the PLA if faced with a modern conflict, and helped strengthen the hand of those in the Army who have been urging that modernisation should be placed ahead of the needs of ideology.

As well as calling for modernisation, Chi also spoke of the necessity for the Army to remain loyal to the ideological principles of the Communist Party.

#### Visits Retired Generals

HK1812150191 Wuhan Hubei People's Radio Network in Mandarin 1000 GMT 17 Dec 91

[Text] General Chi Haotian, chief of the General Staff and member of the Central Military Commission; Lieutenant Generals Han Huaizhi and He Qizong, deputy chiefs of the General Staff; and by Lieutenant General Li Xilin, Guangzhou Military Region deputy commander, visited some retired generals at the (Luojiashan) Guest-house in Wuchang.

General Chi Haotian was very glad to see that the generals, dressed in simple clothes and with silver hair, are still in good health and in high spirits though they are getting on for seventy. He told them: The new year is drawing near. Two deputy chiefs of the General Staff and I came to pay an advance new year call on you, wishing you a happy holiday, good health, long life, and happiness in your remaining years.

Then he briefed them on the spirit of the Central Military Commission enlarged session and of the Army's training and management work meeting. He also spoke about the situation at home and abroad and about Army building, saying: The people of the whole country presently have full faith in the CPC Central Committee, with Comrade Jiang Zemin at the core, and pin earnest hope on our socialist country. We must try to manage domestic affairs and the Army well despite any changes abroad. We must build a quality Army in accordance with our purpose of serving the people heart and soul to maintain the Army's unity and the country's prosperity and stability.

Li Xilin, Guangzhou Military Region deputy commander, also extended holiday greetings to the retired generals on behalf of Zhu Dunfa, Guangzhou Military Region commander; and Zhang Zhongxian, the political commissar.

#### Zhejiang's Winter Recruits Depart for Posts

OW1112043091 Hangzhou Zhejiang People's Radio Network in Mandarin 1000 GMT 10 Dec 91

[From the "Provincial News Hookup" program]

[Text] Zhejiang Province has started its work to hand over new recruits drafted this winter. This morning, the first batch of nearly 1,000 new recruits boarded special trains for new recruits in 120 groups and headed for their

respective units. (Wang Houdao), director of the Hangzhou Railway Subbureau and (Secretary Wang Chengzhang) boarded the special train to send off the new recruits. The provincial government and the provincial military district held a sending-off ceremony at the Hangzhou Railway Station to mark the enlistment of new recruits in the Army. While bidding farewell to representatives of the new recruits, leading comrades Xu Yongqing, (Wang Xiguang), (Hua Lizhen), (Sheng Weipeng), and (Guan Chengchang) encouraged the recruits to emulate Lei Feng and the martyr (Zhou Liping) after their enlistment in the Army so that they will become qualified defenders of the republic.

There were many recruits in our province this winter, and that requires a lot of transportation work. In order to ensure safe arrival of the recruits at their units, the military and relevant local departments planned to transport new recruits in the province by rail, water, road, and rail-and-water simultaneously. Operation of ticket counters and waiting rooms for soldiers in Wenzhou, Haimen [as heard], Putuo, Daishan, and (Shengsidao) by shipping departments has ensured that departing new recruits arrive safely at their units.

According to plan, transportation of new recruits in the province will end by 20 December.

### Economic & Agricultural

#### Top Leaders Ignore Deng Lique's Economic Theory

HK1812082891 Hong Kong SOUTH CHINA MORNING POST in English 18 Dec 91 p 13

[By John Kohut in Beijing]

[Text] Maoist ideologist Mr Deng Lique has failed in his attempt to advance a new theory about the economic structure of China which leftists hoped to use in their efforts to revive class struggle, said Chinese sources.

According to Mr Deng's analysis, several different sorts of "socialist commodity markets" operate in China, including capitalist, "Geti" (private entrepreneurs employing no more than eight people), and collective as well as socialist.

This theory conflicts with China's official characterisation of the economy as combining central planning with a free market euphemistically referred to as a "commodity market".

In Mr Deng's view, each of the commodity markets he outlines is represented by a class. Through this analysis of the country's economic and social structure, leftists had hoped to promote their campaign for ideological and class struggle.

However, China's leadership has rejected Mr Deng's theories, apparently because they would serve only to divide the nation at a time when the Government and

Communist Party are at pains to maintain stability and unity and concentrate on economic development.

Mr Deng's latest effort to whip up an ideological campaign is one example of how ideologues are trying to push the nation further to the left, to the shock not only of their subordinates, but also, sometimes to the dismay of their superiors.

This autumn, in an address to high ranking official, Communist Party Secretary of Beijing Mr Li Ximing spoke out against foreign-invested companies.

He called them "the tail of capitalism" and vowed that sooner or later, "the tail will be cut off".

"People were stunned when they heard this," said one source.

However, Mr Li's views have so far been ignored by the top leadership as it seeks even more foreign investment to bolster the national economy.

In another development, a group of liberal writers has written a letter to the Government opposing attempts by leftists within the All China Writers Association to change voting procedures for their organisation.

Formerly, decisions were taken by a vote of all individuals. Now, however, the rules have been altered to that provincial representatives will cast one ballot each on behalf of the writers in their province. This would apparently give the leaders of the association greater scope in influencing the vote.

The letter said that many writers would consider resigning from the association unless they were allowed to vote as individuals.

#### Zou Jiahua Urges Construction Industry Efficiency

OW1712010691 Beijing XINHUA in English 1443 GMT 16 Dec 91

[Text] Beijing, December 16 (XINHUA)—Chinese Vice-Premier Zou Jiahua urged the country's construction industry to give top priority to quality and efficiency in the years to come.

Addressing a national meeting on construction which opened here today, Zou said that China will expand its construction scale during this decade. It will concentrate on the construction of basic industry and infrastructural projects, including a large number of civic projects that have a direct bearing on the people's living standards.

"Economic efficiency should be the first consideration when we draw up construction plans or launch construction projects," said Zou.

As far as the construction sector is concerned, Zou said, efficiency is realized when a construction project is completed in the shortest possible time, with high quality and less investment and be ready to be put into operation.

But the state's top planner warned that speed should not be achieved at the cost of a drop in quality. Correct construction procedure should be strictly followed, "otherwise it will take its toll in state property, or even people's lives," Zou stressed.

On urban construction, Zou said that while mapping out their development strategies, the small and medium-sized cities should guard against being too eager to catch up with the big cities. The focus should be on the construction of infrastructural projects to improve public utilities.

Zou urged construction officials to try every means to ease the water shortage that is plaguing about 400 Chinese cities at present.

Talking about the housing reform, which Zou described as the "only way to improve the people's living conditions", he said that the targets of the reform are the investment system, the construction system and the distribution system.

The proportion of individual investment in construction funds should be enlarged, though the cost is now largely shared among the state, the work units and the individuals. The Chinese people should learn to pay more rent or buy commercial housing in the near future, said Zou.

He also encouraged local governments to develop the real estate business. "The coastal cities have succeeded in attracting foreign investment in real estate, and the inland areas should follow suit," Zou said.

#### **Zhu Rongji Affirms Cotton Procurement Work**

OW1412044191 Beijing XINHUA Domestic Service  
in Chinese 1629 GMT 13 Dec 91

[By reporter Jiang Jun (1203 6511)]

[Text] Beijing, 13 December (XINHUA)—During his discussion meeting with representatives to the national cotton procurement supervision and inspection work commendation meeting held on 12 December, Vice Premier of the State Council Zhu Rongji fully affirmed the results achieved in this year's cotton procurement work. He also called on all to do a good job in completing this year's cotton procurement work.

The situation in this year's cotton procurement has three distinct characteristics: 1) Quantity of cotton procured throughout the nation increased. As of 5 December, 88.42 million dan has been procured throughout the nation, up some 7 million dan from last year. This year's procurement is estimated to exceed 93 million dan. Total cotton output is expected to exceed 0.1 billion dan, the best since 1985. 2) The quality of cotton procurement has shown clear signs of improvement, and enforcement of standards is basically satisfactory. 3) The order of cotton procurement has improved somewhat.

The national cotton work meeting sponsored by the State Council this year has strengthened leadership. The

appropriate price ratio of cotton and food grain has encouraged the farmers to augment their cotton fields. The post-autumn dryness in cotton production areas was beneficial to the growth of cotton. At the same time, organs of the Agriculture Ministry and farmers have enhanced field management work during the later growth stages of cotton; as such, a bumper harvest was achieved despite natural disaster. The significant improvement in the order and quality of cotton procurement was mainly attributable to the cooperation of various departments and localities in the implementation of policies and measures determined by the State Council. Last July, the State Council General Office relayed the "Circular on Rectifying Cotton Quality and Price and on Strict Implementation of the State Allotment Plan" issued by some 10 departments, including the State Council Production Office. Leadership at all levels of the relevant provinces and autonomous regions have personally organized meetings to plan and assign work and have enhanced supervision and inspection work. Relevant departments of the State Council kept in step with each other in their respective jobs to ensure practicality of work. During the course of procurement, some problems have arisen in individual areas, thanks to measures that were effective in the strict enforcement of orders and prohibitions, the order and quality of cotton procurement were assured.

During the second half of September, the State Planning Commission, the Ministry of Commerce, the Ministry of Agriculture, the Ministry of Textile Industry, the State Administration of Commodity Prices, and the State Bureau of Technology Supervision have separately carried out inspection on pre-procurement preparation work in major cotton production areas. At the peak of the cotton procurement period, the State Council sent three comprehensive inspection groups on an inspection tour to the adjoining areas of Beijing-Tianjin-Hebei, Hebei-Shandong-Henan, and Jiangsu-Shandong-Anhui. The State Administration for Industry and Commerce planned relevant work to crack down on cotton mongers, while the Ministry of Supervision made arrangement for supervision department in all localities to investigate and punish emphatically the classic cases of indiscriminate interference by administrative leadership. The State Council Production Office and the State Bureau of Technology Supervision established a national office for reporting cotton quality problems, and selected 50 specialists to station at 45 counties situated in adjoining areas of five provinces to inspect and to guide procurement work, while banks and finance departments provided adequate funds for cotton procurement. The State Administration of Commodity Prices and other departments issued notice of punishment to four areas with quality problems in the 1990 cotton allotment. News units' timely reporting of classic examples of violation of regulations in cotton procurement has had an important effect on ensuring the procurement order and procurement quality of cotton.

Zhu Rongji praised the results achieved by the various departments, local party committees, local government,



and relevant personnel in this year's cotton procurement work. He said: This year's quantity, quality, and order of cotton procurement are all better than expected. All departments and localities have waged a successful overall struggle to implement earnestly the State Council's policies and measures to rectify comprehensively the order of cotton procurement through close cooperation and uniform actions. This shows that the sense of certainty, urgency, and relentlessness would surely help us do a good job in our economic work.

Zhu Rongji called on all to bring the good start of this year's cotton procurement work to a good close. All available cotton must be procured and both the state and the enterprises must increase their stock pile, as cotton farmers should not be made to suffer losses. He has also made suggestions for next year's cotton work, especially in areas pertaining to organization of direct signing of sales and purchase agreements between production areas and marketing areas, and on maintaining close contacts between them.

#### **Economic Restructuring Vice Minister on Reform**

OW1712131191 Beijing XINHUA in English  
1248 GMT 17 Dec 91

[Text] Beijing, December 17 (XINHUA)—China has made great strides in nationwide economic reform this year involving industry, pricing, housing, social security and science and technology.

Economic analysts here point to the fact that the reforms are developing in the direction of building a planned commodity economy. A good climate for economic reform in China has ushered in a three-year period of remarkable achievements resulting from the retrenchment program, political and economic stability and social order, and national economic development.

During a recent interview with XINHUA, Gao Shangquan, the vice minister of economic restructuring, said that a favorable development trend has surfaced in regard to the reform of industrial enterprises. Thus far, some 95 percent of state-owned enterprises have signed responsibility system contracts which cover not only the indices of economic results, but also development and enterprise management, according to Gao.

The reform effort has helped industrial enterprises revitalize their production, improve economic performance and promote the readjustment of both product and enterprise structure, thereby enabling industrial production to grow at a sustained rate, said Gao.

Referring to rural areas, Gao said that China has made great efforts to stabilize and improve the household contract responsibility system. He said that farmers have adopted scientific farming methods and have quickened the pace of rural industrial development and commercialization. Gao pointed out that a bumper harvest was achieved this year despite numerous natural disasters.

Concerning macro readjustment and control, the state has used economic levers such as interest rates, exchange rates and taxes,—said Gao.

During 1991, the People's Bank of China—China's central bank—once again lowered interest rates on both saving deposits and loans. At the same time, foreign exchange rates have tended to float in accordance with changes in the market.

According to Gao, the central government introduced a new tax designed to regulate fixed assets in a bid to control the flow in investments.

Gao said that all of these measures have played an important role in promoting production and helping to enliven the market.

In the outgoing year, China undertook a bold step in price reform by readjusting or increasing the price of steel, cement, crude oil and shipping by rail.

In particular, the government raised the selling price of grain and edible oils, which had remained unchanged for over 25 years. In addition, grain price reforms have been carried out in Guangdong, Hainan and Fujian Provinces.

Specialists say that this particular reform program will be introduced nationwide in order to help reduce heavy grain subsidies, and to bring the full initiatives of farmers into play.

Economists have noted that price reforms will help improve price relationships, and will also enlarge the scope of market regulation, while at the same time fostering new markets.

Recent statistics show that guided and market controlled prices account for well above 70 percent of the country's total retail sales. At the same time, market regulated prices accounted for 52 percent of the sales of farm produce, and 37 percent of industrial production.

Early this year, the country ushered in reforms of social security and housing systems. Thus far, the pension system has attracted the participation of over 52 million workers in the state-owned enterprises and 14 million contract employees throughout the country. An unemployment insurance system has also been established.

Progress has also been made in regards to housing reform and more than 300 cities, towns and counties have initiated housing reform and some are exploring different housing systems. Housing reforms included a reformation of the current low rent system, the sale of public housing and the establishment of funds for housing construction.

In addition, the state is deepening the reform of the current scientific and technological system. Last March the State Council approved the establishment of 27 high-tech development zones designed to commercialize scientific achievements.

Gao said that next year China will continue to push forward economic reform and will focus on enhancing large and medium-sized enterprises by increasing their vitality while at the same time quickening the pace of price reforms.

#### Official Reports To NPC on Tax Collection

OW1612145191 Beijing XINHUA in English  
1431 GMT 16 Dec 91

[Text] Beijing, December 16 (XINHUA)—China had completed 88.5 percent of this year's tax collection plan by the end of last month, and enjoys a 7.2 percent increase over the same period last year.

China's tax bureaus collect more than 300 billion yuan each year, comprising over 90 percent of the state revenue.

Director of the State Administration of Taxation Jin Xin said today in a report to the deputies of the National People's Congress here that China has set up a multi-form tax system after a decade of efforts, which plays an important role in adjusting and monitoring economic activities.

China now has more than 30 kinds of taxes, but a single enterprise is only liable to pay a few of them.

"The entrepreneurs feel the burden of taxation because of the low efficiency," said the director, who added that he believed that the pressure would be eased as the economic situation turns for the better.

According to the director, China has set up a set of regulations and methods for the taxation of private enterprises, and taxes from this sector are expected to be more than 16 billion yuan this year.

But he warned that taxation of private enterprises should be stricter as tax evasion is still rampant.

Jin reported that his next goal is to simplify the income taxes for household enterprises, and then merge the present two separate tax laws for home and foreign enterprises.

The draft of the country's administration law of taxation, according to the director, will be submitted to the Standing Committee of the National People's Congress for deliberation early next year.

#### Article on Development of Wage System, New Policy

HK1512031591 Beijing CHINA DAILY in English  
14 Dec 91 p 4

[By Wen Bian: "State Firms To Get What They Pay For"]

[Text] With his bedding roll, a factory worker sat in the reception office of the Ministry of Labour.

He had come a long way to complain that he had been denied a raise for years.

A scene like this, previously not uncommon, reflected the authority of the government over such trifling things as the specific amount of factory employees' wages.

Actually, the money that enterprises paid to their employees was distributed by the government in a unified way.

Until the mid-1980s, Chinese employees working in State firms had grown accustomed to the nationwide pay hikes according to the government-prescribed standards. So it was possible for employees to go to the government to complain that they were not eligible for government-formulated wage increases.

Starting in 1985, the wage system of the country underwent a dramatic change. A significant proportion of businesses were given the power to use their profits to increase wages for employees.

This new method of setting salaries links total wages of employees with the economic returns of the business. The general rule is that the better the economic efficiency, the higher the wages can be.

In a recent interview with China Labour News, an official in charge of the Wage Department under the Ministry of Labour said the new method has been introduced in 95,000 State firms, affecting nearly 39 million—or 53 percent—of the total employees of State firms.

Moreover, a few industrial trades and groups and two provinces of Yunnan and Guizhou have been totally subject to this new system. In other words, these trades, groups, or provinces are allowed to raise the total wage payment from the government-set basis in proportion to the increase in economic returns.

In a three-part series reviewing the development of the system over the past six years, Labour News spoke highly of the role of the new linkage in raising the economic efficiency of the country's industrial businesses—especially in the initial stage, when economy grew rapidly.

In those days, the reports said, the businesses whose total wages were linked to their economic returns outperformed those whose wages were not.

In 1989, the nation's economy shrank, and the profits and taxes of many firms dropped. State industrial firms within the government budget registered a 35.5 percent drop in taxes paid and profits handed over to the government. But businesses operating under the new wage system managed a 10.7 percent increase.

In 1990, industrial businesses within the government budget as a whole still had a bad time, with taxes and profits handed to the government dropping by 12.7 percent. But those under the new wage system had a 3.4 percent increase.

According to the newspaper, the new wage system is effective because it allows State-owned firms to share the fruits of their labour with the government, giving them more initiative to perform better.

Moreover, the new system grants State firms real power to distribute its share among employees. That means the firms can improve their internal system for giving raises.

The government-formulated internal salary system for businesses is the so-called eight-grade wage scale, with the eighth grade getting the highest payment.

This system, still the basis of internal salary system of many businesses, has displayed growing defects with the passage of time.

Among other things, it attaches too much importance to work skill potential rather than work performance itself. Consequently, some being paid at the highest levels do lower-level work, and vice versa. The graded system also makes little distinction between easy and comfortable work and hard, dirty, heavy and dangerous work.

In reality, workers have been universally upgraded so many times that the system has been rendered useless in giving employees incentive to improve their skills.

So, many businesses, once allowed to have their total wage amount linked with their economic returns, started to improve their internal salary system.

According to Labour News, a great variety of attempts have been tried on the reform of the internal wage system in recent years.

One such attempt took a portion of the wage of an employee granted under the graded system and made it subject to performance. But this method, like many other ones tried in the early days of wage reform, didn't alleviate the problem of high-level employees being paid to do low-level work. Later, the emphasis was shifted to overhauling the graded wage scale completely.

In some factories, standards of tasks and technical skills were set for each position, and payment is the same for anyone who can perform well in the position.

Now, the government labour department has affirmed reform efforts in this direction.

Last month, the government announced a new policy, to be implemented nationwide over the next five years, under which workers will get pay increases according to their job duties, technical ability and performance.

The new policy also stipulates that in the next five years, with the exception of the military-oriented industrial sector, all industrial businesses will have their total wages linked with their economic returns. So, workers in State-owned enterprises will no longer get across-the-board raises, and may not get any raises at all.

So, if workers have anything to complain about their wages, they will most likely go to factory leaders to argue.

Now it is the factory leadership, rather than the government, that will determine how much workers will be paid for the work they do.

### NPC To Discuss 3 Gorges Project Examination

OW1612112091 Beijing XINHUA in English  
1054 GMT 16 Dec 91

[Text] Beijing, December 16 (XINHUA)—The results of the examination on the Three Gorges Project will be discussed by the Standing Committee of the National People's Congress after they are endorsed by the Communist Party Central Committee and the State Council.

According to the Chinese Premier Li Peng, the results will be proffered to people of different sectors for their opinions before presented to the National People's Congress for final approval. As the long-discussed issue has attracted worldwide attention and evoked much controversy for the past decades, the latest issue of "NEW CHINA QUARTERLY", a Beijing-based English-language magazine, carried an article, entitled "Will China Start the Three Gorges Project?", to show a panoramic view of the proposed project. The whole story goes as follows:

Deliberations are still going on inside China's high policy-making body on whether to undertake the colossal Three Gorges Project, which is aimed at controlling floods, generating electricity and expanding the navigation channel by building a super-dam across the Yangtze River, one of the longest rivers in the world.

If it is decided to start the construction, it will be the world's largest hydroelectric project and need 18 years to complete. The project calls for huge investment and resettling over a million urban and rural people but will exert a far-reaching influence on the progress of China's modernization drive and the lives of almost all Chinese people. It is because of its utmost importance that the Chinese Government has been very cautious in weighing the pros and cons of the project.

The Yangtze River, which is next only to the Amazon and the Nile in length, is immensely rich in water resources, especially in its western section of the three gorges, where the waterway is narrow and swift.

Early in the 1920s Dr. Sun Yat-sen, proposed the construction of a water conservancy project across the Yangtze in an article on "Industry Plan" in his book, *Principles of the Founding of the Republic*. In 1944 the Kuomintang Government invited John Lucian Savage, an American dam expert to China for site inspections. The expert gave a series of suggestions on the construction of the dam. In 1946 the Kuomintang Government signed an agreement with the United States to invite the U.S. Bureau of Reclamation to design a reservoir on the Yangtze. But the work was later suspended because of China's raging civil war.



Since the founding of the People's Republic of China in 1949 the Chinese Government has repeatedly conducted researches on the construction of the Three Gorges dam. In February 1958 the late Premier Zhou Enlai led a group of over 100 experts and officials from various government departments to inspect the most frequently flooded sections of Yangtze and chaired a discussion on the project. Based on the report by the premier, a special conference held by the Communist Party Central Committee in Chengdu, Sichuan Province, in March the same year adopted a resolution which called for "active preparation" and "careful examination" for the project. The resolution held that the final decision to determine when to build the project cannot be made until all the preparation work has been fundamentally completed.

In the over 20 years following 1958 China has conducted a series of planning, surveying, scientific research and design programmes on the project.

In the late 1960s the State Council decided to first build the Gezhouba Project, a dam near Qichang on the middle reaches of the Yangtze River but smaller in scale than the Three Gorges Project in a bid to ease the power shortage in central China and learn from "actual combat" to prepare for the Three Gorges Project.

The successful completion of the Gezhouba Dam at the end of the 1970s provided fruitful experience and trained a number of engineering experts and workers in building large-scale dam and hydroelectric projects.

In 1979 a group of experts was invited by the Ministry of Water Resources to go to the Three Gorges to choose the site of the dam. They proposed to the State Council that Sandouping in the middle of Xiling Gorge would be the best location for building the dam and started preliminary designing.

In 1983 the Yangtze River Planning Office compiled a re-examination report on the Three Gorges Project after many investigations, suggesting that the normal water storage level behind the proposed dam be at 150 m [meter] above sea level. Then the State Planning Commission presided over a meeting for the discussion of the proposal, which was attended by over 350 people, including leading officials from the ministries concerned, representatives from Sichuan, Hubei and Hunan Provinces and experts in design, construction, power generation and navigation as well as from institutions of scientific research and higher learning. Most of the representatives at the meeting agreed to start the project as soon as possible. But a few of them thought that conditions were not ripe for the construction. The report was approved by the State Council in principle in 1984.

However, in September 1984 Chongqing City, on the upper reaches of the Yangtze, proposed to the State Council that the water storage level behind the dam be raised to 180 m so as to facilitate the passage of 10,000-ton class cargo ships to Chongqing Harbour. Then the State Council entrusted the State Planning Commission

and the State Commission for Science and Technology to conduct further examinations on the project.

During this period different opinions came from experts of different departments concerning whether to build and when to build the project.

In April 1986 leading members and senior officials from the State Council inspected the proposed location of the reservoir and the site of the dam. After repeated studies, the Communist Party Central Committee and the State Council jointly issued a directive, asking the Ministry of Water Resources and Electric Power to organize more experts from all relevant departments to conduct further examinations and prepare a new feasibility report to provide reliable materials and data for central government decisions.

Preparations for the new feasibility report involved altogether 412 specialists and scholars from more than 40 professions, including the natural sciences, finance and economics, ecology and the environment, and systems engineering. They were divided into 14 teams to study geology, the project's main constructions, hydrology, flood control, silting, navigation power systems, machinery and electricity facilities, resettlement of the displaced inhabitants, environmental impact, the construction programme, investment appraisal budget and overall economic appraisals. Ninety percent of the participating expert held senior academic titles. Fifteen of them were members of the General Assembly of the Chinese Academy of Sciences and world-famous scholars. Meanwhile, scholars were invited as advisors to the leading group for re-examination of the feasibility studies form the National People's Congress (NPC), the Chinese People's Political Consultative Conference (CPPCC) and the Chinese Academy of Social Sciences.

The re-examination started in 1986 and lasted nearly three years. After comprehensive studies by the 14 specialist groups, it was recommended to "build and complete the project in one package, store water step by step and resettle the affected population continuously." In the feasibility reports written by the 14 teams of experts on various subjects, nine were signed by all those who took part in the examination while five of the team holding different opinions. The latter's opinions were submitted as appendixes to the feasibility reports.

In July 1990 the State Council called for a third conference on the examination of the Three Gorges Project. Apart from the reports by the 14 specialist teams, experts who did not sign their names explained their objections or handed over their own written proposals.

The new feasibility report proposes that a dam with normal water storage level at 175 m above sea level be built at Sandouping in Xiling Gorge, with the crest storage level 156 m in the initial stage. The final storage would be 39.2 billion cu m, 22.15 billion cu m of which would be for flood-control purposes. The installed power-generating capacity would be 17.78 million kw [kilowatts] producing 84 billion kwh [kilowatt hours]

annually. Meanwhile, shiplocks and lifts would be installed to facilitate smooth river navigation.

The project would be of great benefit if constructed, according to the feasibility report. Located between the Yangtze River's middle and upper reaches, it would ensure the safety of Wuhan, capital of Hubei Province, a province in the middle reaches which is frequently hit hard by floods. The existing flood-control works can only prevent the worst flood disasters, which happen every 10 to 20 years along the Jingjiang section of the Yangtze, a narrow zigzag channel. With the help of the upper-dam, the worst flood disaster recorded in the previous 100 years could have been prevented. The project, moreover, could largely reduce the economic losses on the lower and middle reaches of the Yangtze River and Dongting Lake area if flood of the scale seen in the years 1931, 1935 and 1954 take place again.

In power generation, the report proposes that a total of 26 generators, each with a generation capacity of 680,000 kw, be installed. Their annual electrical output would be 84 billion kwh, the equivalent of saving 40 million tons of coal every year in thermal power. The electricity generated by the proposed project could ease the acute power shortage in central and eastern areas of China, and alleviate the railway bottleneck caused by transporting coal from the north to the south.

In terms of shipping, according to the report, the stored water in the reservoir could improve shipping conditions in the upper reaches extending from Yichang, Hubei Province, to Chongqing, Sichuan Province. For six months a year ships of the 10,000-ton class would be able to sail directly from Wuhan to Chongqing increasing the annual shipping capacity to 50 million tons from the present 10 million tons, cutting transportation costs and making sailing much safer. The project would also increase the discharge of water into the lower reaches of the Yangtze in dry seasons and create favourable conditions for future gigantic projects to divert water from southern to northern China.

The report admits that building such a gigantic project would cost a great deal and involve a series of difficulties. However, the cost is affordable and worthwhile for China in light of the overall national economic development and in comparison with other projects of the same kind, the report maintained. It listed the following main difficulties China must be prepared to overcome in undertaking the project:

1. The project will take 18 years to complete, including three years for preparation before the construction starts. The first-stage construction will require three years and the second-stage construction another six years. By the end of 12 years, the first two generators installed will start to supply power. After that, four generators will be installed and put into operation every year, until all the 26 generators are installed.

To build the Three Gorges Project, according to the report, some 87.89 million cu m of earth and stone

would be excavated and another 31.24 cu m filled in. Some 9.34 million cu m of earth and stone work has to be done to dismantle the cofferdam. Meanwhile, the project will also need 26.89 million cu m of concrete work, 970,000 m of cement grouting and 255,200 tons of metal structure work. In terms of total concrete, and earth and stone work, the Three Gorges Project will need 2.5 times as much as did Gezhouba, the largest water conservancy project ever constructed in China, and twice that of the Itapua Hydropower Station, the world's largest, built jointly by Brazil and Paraguay. In terms of installed power generating capacity, the Three Gorges Project involves 1.4 times that of the Itapua Hydropower Station. This means that the Three Gorges Project would surpass all the world's present hydropower stations.

Meanwhile, normal shipping has to continue during the construction period. This greatly complicates the matter.

The highest intensity in peak years of earth and stone work will be 20.36 million cu m per year and 2.3 million cu m per month. The highest intensity in peak years of concrete filling work will be 4.1 million cu m per year and 460,000 cu m per month. All this surpasses all previous records. In building the Gezhouba Project the record was 7.3 million cu m of earth and stone work and 2,029,000 cu m of concrete filling work per year, and 260,000 cu m of concrete filling per month. At the Itapua Power Station, the record was 3.03 million cu m of concrete filling work per year and 348,000 cu m per month. The metal structure work for the project will attain 44,400 tons in the peak years, while the Gezhouba attained only 23,000 tons. However, the report says, these technical issues can be solved.

2. The resettlement of large numbers of people displaced from the water conservancy areas is another difficult job. With the feasibility report setting the reservoirs normal water level at 175 m, 725,500 people will be displaced, according to the 1985 population census. Among them 392,900 will be from cities and towns, and 332,600 from the countryside. Furthermore, the reservoir will submerge 356,900 mu (one ha [hectare] equals 15 mu) of farmland and 74,400 mu of orange orchards.

The flooded areas include parts of Wanxian and Fuling cities in Sichuan Province and 17 counties in Hubei and Sichuan Provinces, according to the report.

The report suggests that the displaced population be moved in over 18 years to keep pace with the progress of construction. However, due to the population expansion and other factors in the coming 20 years, the report estimates that the total population to be displaced will be 1,131,800 and the total arable land (including orange orchards) submerged would amount to 431,300 million mu. Under the principle of "storing water step by step and resettling people continuously", the report proposes to resettle no more than 8,000 people per year. The state expenditure for the resettlement would be below 900 million yuan yearly.

After making on-the-spot investigations, the feasibility report says that almost all the counties and cities which will be partly affected by the project have the potential land to resettle the displaced population within their own areas.

3. The huge investment required is the main problem for the Three Gorges Project. The feasibility report calls for a total investment of 36.11 billion yuan for the entire project, calculated according to the constant price level of 1986. Of this amount, 18,901 million yuan would be for the key water conservancy project, 11,282 million yuan for resettlement of the displaced people and 6,282 million yuan for a 500,000 power transmission system.

The report believes that the Three Gorges Project itself will produce economic returns in the 12th year of construction when the first two power generators start to produce electricity. The income from power generation can be used as investment in the later years of construction. Therefore, fund raising will be mainly concentrated on the first 12 years. The report estimates that construction in the first 12 years will need a total of 18.03 million yuan, which can be financed partly by state capital construction funds, bank loans and bonds, and partly by foreign loans.

In summing up, the report says that it is better to start the project as soon as possible so as to reap the best economic returns at the lowest cost.

However, there are controversies on whether and when to build the project, which have attracted nationwide and worldwide attention. Apart from a few experts among the 412 specialists who prepared the feasibility report, some other experts, scholars and public figures have also voiced their opinions for or against it. Some have suggested that the project be abandoned or postponed until the next century.

The arguments focussed on the following topics:

1. Can China afford such a project?

Some members of the Chinese People's Political Consultative Conference believe that China cannot afford such a gigantic project, which needs a large amount of input without producing returns until the next century. This would inevitably cut the investment for other major projects which can pay off in a relatively short period.

They hold that the static investment of 36.1 billion yuan as suggested in the feasibility report is far from enough. The investment assessment, they say, was based on the constant price level of 1986, while there was massive inflation in the years 1987 and 1988.

Some economists hold that the estimate of the total investment for the project should be increased by 16 percent in annual interest rate over 32 to 38 years before the investment can be recouped. If six percent to 10 percent of the annual rate of inflation is also taken into account, the investment plus bank loan interest altogether would come to at least 286.1 billion yuan.

However, Pan Jiazheng, deputy head of the leading group for preparing the feasibility report, in his speech recommending the project to the State Council said that China should raise a total of 62.26 billion yuan, including bank loan interest, during the construction period, according to 1986 constant prices. The profits earned from the Gezhouba Hydropower Station, which is already in operation, and the revenue from the power station in the Three Gorges Project in the later years of construction will come to a total of 40.52 billion yuan, making up 64.7 percent of the entire investment needed. Therefore, only 22.14 billion yuan will be needed in bank loans, accounting for 35.3 percent of the total. The loans will be needed mainly in the first 12 years of construction. The project will mainly support itself with its own income from the 13th year. Only 15.31 billion yuan of investment will be needed in the first 12 years, or an average of 1.28 billion yuan annually. The fund can be raised through state and local investment, bonds and foreign loans. That is to say that raising such an amount will not be too difficult.

He held that inflation should not affect the financial appraisal of the Three Gorges Project since the investment in terms of RMB [renminbi] and the output in terms of electricity charges will be rising simultaneously in years of inflation.

He estimated that the total investment for the Three Gorges Project will account for about 1.23 per thousand of the aggregate amount of national income or 0.73 per thousand of the aggregate amount of gross national product [GNP] during the years of construction. The first-stage construction of the Shanghai Baoshan Steel Works, a key project in China completed in the 1980s, cost 2.54 per thousand and 2.16 per thousand, respectively, during the years of construction. Therefore, the country can afford the investment for the Three Gorges Project, which is equal to only half of that of the Shanghai Baoshan Project in the ratio between investment and national income and GNP.

He pointed out that the central and eastern parts of China are more developed agriculturally and industrially than many other parts of the country. But their further development is hindered by an acute power shortage. If China tries to increase thermal power and give up the Three Gorges Project, it will aggravate the tension in coal production, transportation and air pollution. This is also unreasonable as far as energy distribution is concerned, the expert said.

2. Can the Three Gorges Project be replaced by a better alternative?

Some other members of the CPPCC have raised the question of whether the colossal Three Gorges Project can be replaced by building some smaller dams across several tributaries of the Yangtze for flood control, power generation and navigation. Tributaries like the Jingsha, Dadu and Mingjiang Rivers on the upper reaches of the Yangtze are all rich in hydroelectric



resources. Building dams across them can ease the power shortage and help flood control. In addition many tributaries in the provinces of Guizhou and Yunnan are waiting to be exploited. As the exploitation of water resources in the tributaries would take a shorter time and produce quick results, they have suggested that the Three Gorges Project be replaced by several smaller projects.

Moreover, some economists believe that building the Three Gorges Project would alleviate flooding in provinces like Hubei on the lower and middle reaches of the Yangtze but aggravate flooding in Sichuan Province on the upper reaches. Even the Three Gorges Reservoir cannot ensure that the lower and middle reaches of the river will never be endangered by serious floods as the reservoir can only hold 22 billion cu m of water, while over 70 billion cu m of flood waters must be dealt with in the event of serious floods such as the one in 1954. If such a serious flood took place, the Three Gorges Project would store large amounts of silt and sand at the rear of the reservoir. This would not only affect navigation but push the water level in Chongqing to over 200 m, bringing about enormous damage to the Sichuan plain.

To control flooding, they suggest that efforts be made to consolidate the existing flood control works in the lower and middle reaches of the Yangtze, such as by removing the hidden perils in the Jingjiang Dyke, repairing the reservoirs in the tributaries, curbing soil erosion and make use of the existing lake area and depression, and harness Dongting Lake to control floods. In power generation, they believe that China should combine hydro and thermal electricity in line with local conditions.

They believe that it is better to build more small reservoirs on the tributaries as it will be difficult to solve the sedimentation problems of the Three Gorges Project.

However, the feasibility report argues that floods affect the whole of the Yangtze River basin—the upper, middle and lower reaches. But the middle and lower reaches, mostly the plain area, are the most frequently hit by serious floods as most of these plains are located lower than the water level in the river or the lake. Densely populated and economically developed, this area is one of the most prosperous regions in China. Thus, China should attach first importance to flood control in this area, the report says.

The site of the Three Gorges Project occupies a favourable position and can effectively control flood water from the upper reaches down to the city of Yichang; hence it cannot be replaced by other projects for flood control. The report admits that Sichuan Province on the upper reaches is also frequently affected by serious floods. As the causes and characteristics of the floods in Sichuan are diversified, various types of flood control measures should be taken in the locality.

In terms of power generating efficiency, according to the report, the electricity will cost much less from the Three Gorges Project than from a large number of smaller

projects or from other large hydropower stations. Electricity produced by the Three Gorges Project will be much greater in capacity and also near the areas where electricity is badly needed.

On the problem of sedimentation, 36 of China's most famous silt experts made investigations on the spot and simulated model experiments. They concluded that most parts of the effective storage capacity of the reservoir for flood control and water adjustment can last for many years by adhering to the principle of "storing clean water while draining off muddy water". Meanwhile, the sedimentation impact on waterways and the dam area can be minimized if effective measures are taken at the appropriate times.

3. To what extent would the Three Gorges Project affect the environment?

Another point raised by the experts with objections to the project is that it would affect the ecological environment, such as by submerging 43,000 mu of fertile farmland and orange orchards. Meanwhile, some world-famous scenic spots such as the marvelous peaks and cliffs along the Three Gorges, and a dozen ancient graveyards of famous people from the time of the warring states (475-221 B.C.) to the Eastern Han (25-220), Ming (1368-1644) and Qing (1644-1911) Dynasties would be submerged. The dam would also influence the breeding grounds of the black, grass and silver carp, and the traditional living conditions of some rare aquatic animals such as *lipotes vexillifer* (Chinese dolphin) and the Yangtze alligator. Some of these rare animals would have the ecological environment of their habitats destroyed.

The feasibility report argues that the reservoir would have both positive and negative impacts on ecological conditions. The positive impact would be the control of devastating floods on the lower and middle reaches of the Yangtze and its benefits in the prevention of schistosomiasis in the area. The hydroelectric power to be generated will be less polluting than building coal-fueled thermal power stations.

The feasibility studies on the Three Gorges Project have also aroused international attention. In May 1986 an agreement was signed between the Chinese and Canadian Governments to study the feasibility of the project with a grant from the Canadian International Development Agency. A consultancy group was established by two hydroelectric institutions under the Canadian Government and three private companies to conduct the feasibility studies independently, in accordance with international standards. Meanwhile, the world bank established an international group consisting of 13 world-famous experts to guide and supervise the work of the Canadian consultancy group.

The feasibility studies done by the Canadian group started in July 1986 and ended in February 1989. The general conclusion reached by the group is: the Three Gorges Project would produce great economic profits

and it is technologically, economically and financially feasible. The project should be built as soon as possible, the Canadian report proposes. It affirms that the Three Gorges Project designed by China is based on ample and reliable data concerning hydrology, silt and geological conditions, which are well up to the international standard in quality for feasibility studies. The Canadian report also described the location selected for the proposed dam as appropriate with very weak seismic activity, which will not endanger the safety of the dam or the reservoir. The project will not bring excessive harmful effects to the ecological condition, and the sedimentation issue can be solved, the report says.

The major difference between the Canadian report and the Chinese one is that the water storage level recommended by the Canadian report is 160 m, lower than the 175 m proposed by China. The Canadian experts believe that the project would produce the best economic efficiency at such a water level and involve less people for resettlement, thus causing fewer social problems.

The Canadian side also suggested that the project adopt the generating capacity of 761,000 kw for a single unit and install a total of 22 generators instead of 26 generators of 680,000 kw, as China's report proposes. The Canadian report disagreed with the installation of perpendicular ship lifts. They held that the shiplifts are technically feasible but cannot be proved economically sound.

The Chinese experts argued that the Canadian conclusion is reasonable in terms of economic efficiency. But the proposal would result in overstorage of flood water

and cannot meet the demands of the navigation departments to ensure that 10,000-ton-class ships can sail to Chongqing without interruption.

In July 1990 Premier Li Peng proclaimed the establishment of an examination committee for the Three Gorges Project after the State Council heard a report made by the experts' group and those who aired different views. Zou Jiahua, state councillor and minister of the State Planning Commission (recently promoted to vice-premier), was appointed chairman of the committee. The deputy chairmen are Wang Bingqian, Song Jian and Chen Junsheng who are in charge of finance, technology and agriculture respectively in the State Council. Members of the committee include ministers concerned and leading members of the Chinese Academy of Sciences and the Chinese Academy of Social Sciences.

Meanwhile, the examination committee invited other experts to examine the project. These experts are divided into 10 teams covering geology, seismology, project scale and main construction, hydrology, flood control, navigation, silting, power systems, machinery and electronic facilities, resettlement of displaced people, environmental impact, investment appraisal budget, economic appraisal, fund raising and comprehensive study. These teams started their work at the beginning of this year.

According to Li Peng, the results of the examination will be discussed by the Standing Committee of the National People's Congress after they are endorsed by the Communist Party Central Committee and the State Council. Before they are presented to the National People's Congress for final approval, the results will be proffered to people of different sectors for their opinions.

### East Region

#### Lu Rongjing Relays Party Plenum Guidelines

*OW1512120191 Hefei Anhui People's Radio Network  
in Mandarin 1100 GMT 14 Dec 91*

[From the "Provincial Hookup" program]

[Text] The Fifth Plenary Session of the Fifth Anhui CPC Committee was held in Hefei 10-13 December. The main purpose of the session was to relay and implement the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee and of General Secretary Jiang Zemin's speech during his inspection of Anhui and to discuss the current work and next year's work.

The session was attended by members and alternate members of the provincial party committee. Members of the provincial Advisory Commission and the provincial Discipline Inspection Commission and senior officials from the relevant departments attended the session as observers. Over 300 people were present at the session.

Lu Rongjing, secretary of the provincial party committee, relayed the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee; Fu Xishou, deputy secretary and provincial governor, relayed the guidelines of Comrade Jiang Zemin's important speech at the session; and Deputy Secretary Yang Yongliang relayed the guidelines of Comrade Jiang Zemin's speech during his inspection of Anhui. Entrusted by the Standing Committee of the provincial party committee, Comrade Fu Xishou reported on measures for transmitting and implementing the guidelines of the Eighth Plenary Session and the current agricultural and rural work in Anhui.

On the basis of diligently studying and thoroughly understanding the guidelines of the Eighth Plenary Session and Comrade Jiang Zemin's speech, the session's participants studied ways and means to implement the guidelines and unanimously adopted a resolution of the fifth plenary session of the fifth Anhui party committee.

Comrade Lu Rongjing made the closing speech at the session.

In his report, Fu Xishou said: In studying the guidelines of the eighth plenary session, we should especially understand in depth the following three points:

1. At no time should we waver in the guiding principle of viewing agriculture as the foundation and top priority of the national economy.
2. When agriculture is stabilized, the countryside is stable; when the countryside is stabilized, the national situation as a whole is stable.
3. Improving agriculture and rural work is not only an economic issue but, even more, it is a political issue. Through study and publicity, we should unify the thinking of party members, cadres, and the masses of

people on the basis of the decision adopted by the eighth plenary session in order to lay a sound ideological foundation for opening a new situation in Anhui's agricultural and rural work.

Outlining the arrangements for the present work and for next year, Fu Xishou emphasized: We should find an effective solution to problems existing in the management of grain production; make a determined effort to accelerate the development of village and town enterprises; expand infrastructural construction of agriculture; actively implement the strategy of advancing agriculture through the application of science and technology; and continue to do a good job of helping the poor areas and coordinating regional development, thereby winning an all-round victory in the fight against natural disasters.

In his speech, Lu Rongjing said: We should adhere to the party's basic line in all fields and foster a solid ideology of focusing on economic construction, which should become the basis for achieving unity in understanding and action and the basic starting point for overcoming unilateral activities and for correctly handling contradictions arising in rural reforms and development. All trades and professions and all quarters of the community should take the initiative to subordinate themselves and serve the central task of economic construction.

Lu Rongjing said: Anhui's advantage lies in its agriculture. We should enhance awareness of large-scale agriculture and deepen and widen production while maintaining a steady increase of grain output. We should extend all efforts to promote high-yield and highly efficient agriculture by planning a rational pattern of agriculture, forestry, animal husbandry, fishery, and side occupations and of grain, cash crops, feeds, and other crops; developing uncultivated hilly areas, land, and beaches for agricultural, forestry, animal husbandry, fishery, and side production in an all-emcompassing manner; and attaching equal importance to economic, ecological, and social benefits.

Discussing socialist ideological education in rural areas, Lu Rongjing urged party committees at all levels to recognize thoroughly the great importance of the work. He said: We should persist in carrying out the three tasks simultaneously, focusing on ideological education, solving practical problems, and stressing actual results. We should continue to incorporate the spirit of fighting floods into the main contents of education and carry out education in a simple manner.

Lu Rongjing said: The present tasks, fighting goals, and policies—and those in the future—have been clearly defined. We should now concentrate efforts to implement the tasks and measures and achieve the goals. Leading comrades at all levels should continue to maintain a sound mental outlook, further improve style, and make hard and meticulous efforts to carry out the tasks. They should also conscientiously study the theory for



continuously raising their theoretical awareness, ideological standards, and leadership capability. Leading organs and cadres at all levels should set good examples in bringing into play the party's glorious tradition of hard work and plain living and resolutely check unhealthy tendencies of giving dinners and gifts, in order to win popular trust through honesty in performing official duties.

### Anhui Plenum Views Agriculture

OW1512144391 Hefei Anhui People's Radio Network  
in Mandarin 1100 GMT 13 Dec 91

[Resolution of the Fifth Plenary Session of the Fifth Anhui CPC Committee, adopted on 13 December; from the "Provincial Hookup" program]

[Text] The Fifth Plenary Session of the Fifth Anhui CPC Committee was held in Hefei 10-13 December. Those attending the session seriously studied the documents of the Eighth Plenary Session of the 13th CPC Central Committee after the documents were conveyed to them during the session. They also studied the important speech made by Comrade Jiang Zemin during his inspection tour in Anhui. They unanimously supported the decision of the CPC Central Committee to strengthen agriculture and the work in rural areas and its resolution to convene the 14th national congress and pledge to implement seriously the guidelines of the Central Committee's decision and the important speech made by Comrade Jiang Zemin during his inspection tour in Anhui. The session heard, seriously discussed, and unanimously endorsed the report made by Comrade Fu Xishou on behalf of the Anhui CPC Committee Standing Committee.

The plenary session concluded: The decision of the CPC Central Committee on further strengthening agriculture and work in rural areas, deliberated and adopted by the Eighth Plenary Session of the 13th CPC Central Committee, has comprehensively summed up the basic experience of China in rural reform and agricultural development, further expounded the importance of agriculture and work in rural areas, and fully affirmed the great achievements made by our country in agriculture and rural work in the 1980's. It has also made an analysis, based on facts, of the problems of agriculture and rural work at present, and unequivocally put forward the overall objectives, main tasks, and basic policies of socialist construction and reform in China's rural areas in the 1990's. The decision is the result of inheriting and developing the line, principles, and policies laid down since the Third Plenary Session of the 11th CPC Central Committee; it is an important policy decision made in light of the new situation of China's agriculture and rural work in the 1990's; and it is a programmatic document guiding China's agriculture and rural work for the present and for a long time to come. It is an important task for us to implement seriously the documents of the Eighth Plenary Session of the 13th CPC Central Committee and the important speech made by Comrade Jiang Zemin during his inspection tour in

Anhui, and to greet the 14th CPC National Congress with actions. Party organizations at all levels in the province should seriously do a good job in conveying these documents to lower levels and in studying and publicizing them. Cadres with party membership at and above the county level should spend time on seriously studying the documents and truly understanding their guidelines. After having a comprehensive grasp and understanding of their basic guidelines, we should formulate the measures for implementing them in consideration of the realities of our region and our organization. Concrete arrangements and proper steps should be made for party members and grass-roots level cadres to study the documents and for publicizing the documents among the masses.

The plenary session concluded: In the course of conveying the documents to lower levels and implementing them, it is most important for us to unify the thinking and understanding of party members, cadres, and people under the guidelines of those documents and Comrade Jiang Zemin's speech. It is necessary to adhere to the party's basic line in all fields, firmly regard economic construction as the central task, and actively subordinate everything else to this central task. It is necessary to firmly uphold the four cardinal principles, persist in reform and opening to the outside world, further the reform in accordance with the emphasis and orientation put forward by the Central Committee for deepening rural reform, and promote development with reforms. It is necessary to keep firmly to the guiding principle of regarding agriculture as the foundation and to enhance our sense of large-scale agriculture. While ensuring a steady increase in grain production, we should actively develop a diversified economy, take a further step toward readjusting the structure of rural production, energetically develop high-yield and high-efficiency agriculture, and strive to develop nonagricultural production. We should practice integrated agricultural-industrial-commercial operations, accelerate the development of village and town enterprises, and gradually switch Anhui's rural economy onto a development track of great momentum, self-development, and technological progress. It is necessary to do two things simultaneously—while stepping up the building of socialist material civilization, great efforts should be made to promote the building of socialist spiritual civilization and socialist democracy and legal system. We should thoroughly carry out socialist ideological education to ensure a sound development of agriculture and rural work in Anhui.

The plenary session deemed it necessary to do good work next year and thereafter under the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee and try to solve the following conspicuous problems of Anhui's present rural economy:

1. It is necessary to continue to stabilize the responsibility system with the household contract linking output to payment as the main form; constantly improve the dual management system that combines household with

collective operations; actively develop the socialized service system; gradually strengthen the collective economy; and reinforce as soon as possible the unified collective operation, which is relatively weak;

2. It is necessary to correctly analyze grain production, solve problems of grain production and sale, promote a steady increase of grain output in the province, and try in every possible way to collect bumper summer harvests next year;

3. It is necessary to unify our thinking, change wrong ideas, develop a sense of urgency, and take full advantage of favorable conditions to accelerate the development of village and township enterprises;

4. It is necessary to gradually increase agricultural investment; energetically expand agricultural infrastructure constructions, particularly farmland capital construction and irrigation projects; concentrate efforts to ensure a smooth proceeding of the Huaihe harnessing project and other key projects; further enhance our ability to combat natural disasters; and raise our overall economic efficiency;

5. Attention should be paid to implementing the development strategy of advancing agriculture through the application of science and promotion of education; accelerate the integration of agriculture, science, and education; and earnestly shift the basis for agricultural growth onto that of relying on scientific and technological progress and on the improvement of producers' qualities;

6. Continued attention should be paid to helping the poor and promoting development in old revolutionary base areas and in poor and difficult regions, restoring post-flood production and development, and helping them to improve more quickly;

7. It is necessary to seriously meet the flood-stricken people's needs in food, housing, fuel, and clothing; continue to pay attention to the flood relief work for the winter-spring period; and ensure that no one starves or freezes to death, no epidemic diseases take place, and people will not leave the flood-stricken areas en masse; and

8. We should continue to pay attention to family planning and strictly control population growth.

The plenary session emphasized: The key in implementing the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee and creating a new situation in Anhui's agriculture and rural work lies in strengthening and improving party leadership over the rural work. We should fully understand that paying greater attention to agriculture and rural work under the new international and domestic situation is of great significance toward promoting overall economic development, consolidating the worker-peasant alliance, strengthening the people's democratic dictatorship, and opposing peaceful evolution. Party committees at all levels should attach importance to agriculture and rural work and pay great attention to studying rural problems thoroughly. The provincial party committee should

devote a great deal of its energies to rural work; prefectural and county party committees should focus their work and concentrate their efforts on rural work; and the principal responsible comrades should personally take a hand in rural work. Cities with county status should also strengthen their leadership over agriculture and rural work. Leading organs at all levels and all trades and professions should further improve their style of work and energetically support agriculture. It is necessary to do a good job in improving the party style and in building a clean and honest government and to provide better service to grass-roots units and rural areas. We should do a solid work in carrying out socialist ideological education in rural areas, firmly occupy rural positions with socialist ideology, and strive to raise a generation of new peasants who have lofty ideals and moral integrity and who are well educated and self-disciplined. Great, comprehensive efforts should be made to improve public security in rural areas and further promote social stability. Earnest efforts should be made to strengthen the building of grass-roots organizations in rural areas, particularly the building of strong village party branches. At the same time, it is necessary to do a good job in building the villagers' committees, collective economic organizations, branches of the Communist Youth League [CYL], women's congresses, and militia organizations in rural areas, and bring their role into full play. Township and town party committees should pay attention to strengthening themselves and truly playing the core leadership role. Cadres at all levels should display enthusiasm; strive to improve themselves; keep in touch with the masses; be honest in performing their official duties; blaze new trails; work hard; implement the Central Committee's line, principles, and policies in consideration of local realities; and truly make their work effective.

The plenary session called on CPC members, CYL members, cadres, and people in the province to unite even more closely around the Central Committee with Comrade Jiang Zemin at its core, seriously implement the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee and the important speech made by Comrade Jiang Zemin during his inspection tour in Anhui, strive to create a new situation of agriculture and rural work, constantly promote the tasks of reform and opening to the outside world, and make outstanding achievements to greet the successful convening of the 14th CPC National Congress.

#### **Lu Rongjing Views Hefei Flood Exhibition**

*OW1712054891 Hefei Anhui People's Radio Network in Mandarin 1100 GMT 16 Dec 91*

[From the "Provincial Hookup" program]

[Text] Lu Rongjing, secretary of the provincial party committee, and Fu Xishou, deputy secretary and governor, recently visited an exhibition in Hefei showing the contrast between the old and the new societies during floods. The two leaders spoke highly of the exhibition's

educational significance, lauding it as vivid teaching material for socialist ideological education.

Lu Rongjing said: The exhibition is a success in having a strong appeal. As pointed out in the footnotes, historical facts and popular feelings have testified that socialism is good, and only socialism can save and develop China. The victory in the fight against floods this year has amply manifested the superiority of socialist system and the great cohesive power between the government and the people, which is totally opposite to the bureaucratic indifference toward flood victims in the old society. The Central Committee and the State Council constantly cared for the flood victims while people all over the country extended a helping hand. Although the flood was disastrous, it has revitalized the nation through much distress.

Lu Rongjing said: Flood relief should be provided in conjunction with economic development. In the post-flood reconstruction, we should pay close attention to construction in all fields, developing the economy, promoting healthy social practice, and improving the party's style. Party committees and governments at all levels, as well as all party members and cadres, should bring into further play the spirit of sharing weal and woe during the antiflood drive, in constantly forging close ties with the masses, and serving them wholeheartedly. Through forging flesh-and-blood ties with the people we have overcome a catastrophic disaster. In improving Anhui's economy, we should also rely on the close ties with the masses. While jointly tiding over a difficulty, whoever stands high above the masses to the detriment of their interests and whoever embezzles public funds must be punished severely.

After viewing the exhibition, Fu Xishou said: The exhibition is very enlightening in giving a vivid contrast between the defects and merits of the two systems during floods. Under the corrupt system of the old society, people died of starvation during floods. However, in the new society, we have overcome the calamitous flood by relying on the superior socialist system.

He said: The exhibition, which includes many valuable pre-liberation photos, is an invaluable teaching material for young people. Having no memory of the old society, youths today are not familiar with the corruption of the Kuomintang. The exhibition can help them deepen their understanding of the two systems and reach the correct conclusion about the superiority of socialist system.

In conclusion, Fu Xishou said: In the wake of the floods, we should heighten our spirit in rebuilding homes and revitalizing the provincial economy so as to bring into further play the superiority of the socialist system.

Du Hongben and Chen Tingyuan, vice chairmen of the provincial People's Congress Standing Committee, and other comrades participating in the fifth plenary session of the Standing Committee of the fifth provincial people's congress also viewed the exhibition.

### Anhui CPPCC Studies Plenum Guidelines

OW1612061791 Hefei Anhui People's Radio Network  
in Mandarin 1100 GMT 12 Dec 91

[From the "Provincial Hookup" program]

[Text] The sixth provincial Chinese People's Political Consultative Conference [CPPCC] Committee Standing Committee held its 22d meeting in the Tiandu Building in Hefei yesterday morning. The main items on the agenda include: 1) To hear and discuss the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee conveyed by responsible comrades of the provincial party committee; 2) to hear and discuss reports delivered by responsible comrades from the provincial Water Resources Department on the construction of water conservation facilities this winter and next spring, and on harnessing the Huaihe; 3) to approve appointments and dismissals of personnel.

Chairman Shi Junjie chaired yesterday's meeting. Yang Yongliang and Li Mingjun, respectively deputy secretary and secretary general of the provincial party committee, transmitted the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee at the meeting. Participants to the meeting were divided into groups to study and discuss the guidelines in the afternoon.

Vice Chairmen Wang Zenong, Pan Ezhang, Ma Leting, Teng Maotong, Meng Yiqi, Zhao Huaishou and Secretary General (Yin Shujun) attended the meeting. Chairmen of the CPPCC committees of cities under the jurisdiction of the provincial government, directors of liaison offices under the CPPCC prefectural committees, and members of the national CPPCC Committee in Anhui were present at the meeting as observers.

### Anhui Advisory Committee Lauds Plenum Guidelines

OW1712034491 Hefei Anhui People's Radio Network  
in Mandarin 1100 GMT 15 Dec 91

[From the "Provincial Hookup" program]

[Text] The Advisory Committee of the Anhui CPC Committee held its fifth plenary session in Hefei on 13 December. A total of 24 committee members attended the meeting, chaired by the Standing Committee of the Advisory Committee. The plenary session voiced unanimous support for the "Decision on Strengthening Agriculture and the Work in Rural Areas," the "Resolution on Convening the 14th CPC National Congress" adopted by the Eighth Plenary Session of the 13th CPC Central Committee Standing Committee, and Comrade Jiang Zemin's speech at the plenary session; they also voiced support for the resolutions adopted by the Fifth Plenary Session of the Fifth Anhui CPC Committee, the speech by Comrade Lu Rongjing, and the report by Comrade Fu Xishou.

The plenary session held that the resolution of the plenary session of the CPC Central Committee Standing Committee on strengthening agriculture and work in



rural areas is a programmatic document for guiding China's rural areas along the path of socialism with Chinese characteristics. The plenary session held that maintaining close contacts with Anhui's reality and earnest study of the guidelines of the Eighth Plenary Session of the CPC Central Committee Standing Committee and the Fifth Plenary Session of the Fifth Anhui CPC Committee, are the current important tasks of party organs at all levels throughout the province. By studying the guidelines, we will further enhance awareness of the extreme importance of strengthening agricultural and rural work, and fully recognize the fact that peasants and rural problems have always been and will always be the basic issues in the course of China's revolution and development. The entire national economy can prosper only when the agricultural sector flourishes, the entire society can be stable and united only when the rural areas are stable and united, and the overall realization of the second-step strategic objective of economic and social development can only be achieved when the rural economy has achieved an appropriate level of development.

For a large agricultural province like Anhui, strengthening agricultural and rural work is an exceptionally important task. When considering issues and conducting our work, we must keep in mind the basic fact that over 80 percent of the people live in rural areas. We should continuously enhance agriculture and the work in rural areas to ensure stable development of the national economy.

The plenary session pointed out that since Anhui took the lead in implementing the household contract responsibility system after the Third Plenary Session of the 11th CPC Central Committee Standing Committee, the face of rural areas has undergone an historic transformation. However, we must clearly recognize that Anhui has a weak agricultural foundation, inadequate investments in agriculture, and lack of ability to fight natural disasters. The agricultural sector and the national economy have suffered severe losses, especially when this year's exceptionally damaging floods were followed by drought. This has made Anhui's tasks of increasing agricultural production and reviving and developing the rural economy even more difficult, arduous, and complicated. We must take into account Anhui's reality and innovatively implement the guidelines of the eighth plenary session, wage arduous struggle, and rely on our own resources to strive to open up a new phase in agricultural and rural work. We must follow the plan of the fifth plenary session of the fifth provincial party committee to focus study and research on prominent problems in rural reform and construction work and promptly present constructive suggestions to the provincial party committee, and to make new contributions toward strengthening agriculture and the work in rural areas.

Comrades attending the meeting pointed out that the eighth plenary session's "Resolution on Convening the 14th CPC National Congress" is a major event in China's political life, and will surely have an enormous and far-reaching effect on the great cause of building socialism

with Chinese characteristics. They all said that we must closely rally around the Central Committee with Comrade Jiang Zemin as the core, earnestly implement the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee Standing Committee and the fifth plenary session of the fifth provincial party committee, bring into fuller play the provincial party committee's political support and advisory functions, and work hard with people of all nationalities in the province to greet the party's 14th National Congress with new results attained in the course of reform and development.

#### **Discipline Inspection Commission Holds Plenum**

*OW1712064091 Hefei Anhui People's Radio Network  
in Mandarin 1100 GMT 15 Dec 91*

[From the "Provincial Hookup" program]

[Text] The Fifth Plenum of the Anhui provincial Discipline Inspection Commission was held in Hefei on 13 December 1991. A total of 26 members of the provincial commission attended the meeting. Persons in charge of discipline inspection organs of various cities of the province attended the meeting as observers. (Yang Zhenyi), deputy secretary of the provincial commission, chaired the meeting. Zhao Boxing, Anhui provincial CPC Standing Committee member and secretary of the provincial Discipline Inspection Commission, spoke at the meeting.

Comrades attending the meeting unanimously voiced resolute support for the decisions and resolutions of the Eighth Plenum of the 13th CPC Central Committee Standing Committee and fully agreed with the plan adopted by the Fifth Plenum of the Fifth Anhui CPC Committee to implement the guidelines of the eighth plenum; they also made a resolution to implement the guidelines in their work.

The plenum proposed that discipline inspection organs at all levels throughout the province must earnestly organize cadres to study the documents of the eighth plenum, and the Fifth Plenum of the Fifth Anhui CPC Committee, in order to comprehend thoroughly the guidelines of the documents, unify the ideology and actions of the vast number of discipline inspection cadres regarding the guidelines of the eighth plenum, and further clarify the guiding thought in discipline inspection work. The plenum called for further strengthening the party's discipline inspection work in rural areas, improving rural party style and party discipline construction, enhancing grass-roots discipline inspection organ construction in rural areas, and doing a good job in ensuring the practicality of discipline inspection organs in villages and townships. Efforts should be made to implement education in party style and party discipline among rural party members so as to enhance their understanding of the party's basic lines, policies, and direction; to strengthen their socialist conviction, and enhance their conscientiousness in observing party discipline and obeying the state's laws. We must further

rectify the work style of rural party members and cadres, and foster closer ties between the party and the masses and between the cadres and the masses. Resolute investigation must be conducted and strict discipline must be enforced on the small number of people who have caused strong resentment among the masses with their wrongful use of authority for private gain and abuse of official power at the expense of the masses, in violation of laws and regulations. We must also continue to enhance supervision and inspection on disaster relief work and enforce discipline in rural areas.

The plenum also proposed initial suggestions for Anhui's 1992 discipline inspection work. In 1992, discipline inspection organs at all levels of the province must closely adhere to the party's basic line of "one central task, two basic points," base their guiding principles on the guidelines of the eighth plenum and Comrade Jiang Zemin's 1 July speech to implement the guidelines of the Eighth Plenum of the Central Discipline Inspection Commission and the Fifth Plenum of the Fifth Anhui CPC Committee, bring into full play their fighting spirit to carry out work innovatively, and greet the opening of the party's 14th session with outstanding achievements.

#### **Anhui Public Security Meeting Concludes 13 Dec**

OW1812065491 Hefei Anhui People's Radio Network  
in Mandarin 1100 GMT 15 Dec 91

[From the "Provincial Hookup" program]

[Text] The provincial meeting on public security work ended in Hefei on 13 December. The meeting called on public security organizations throughout the province to give full play to their function, do a good job in accomplishing the honorable task of maintaining public security in the 1990's, as entrusted by the party and the people, and make new and even greater contributions to protecting political and social stability and economic development.

Meng Fulin, deputy secretary of the provincial party committee, attended and spoke at the meeting. Wang Shengjun, member of the Standing Committee of the provincial party committee, secretary of the provincial Political and Judicial Committee and director of the Public Security Department of the provincial government, made a summing-up report at the meeting.

In his speech, Meng Fulin analyzed the situation at home and abroad and the current public security situation in the province. He said: Regarding the public security situation in this province, we should not only look at the basic stable condition, but also take notice of the grim side. We should penetratingly study various problems and hidden troubles in public security work, formulate policies and methods to solve those problems, and effectively improve public security work in various places so as to create a good social order.

He pointed out: Social stability in rural areas is the foundation for good public order in the entire province. Without an improvement in the public order of rural

areas, we cannot ensure stability and improvement of public security throughout the province. Party committees, governments, and public security organizations at various levels must place improving public security in rural areas as an important item in their daily agenda when implementing the guidelines of the Eighth Plenary Session of the 13th CPC Committee. We should adopt effective measures to do the work well.

Meng Fulin pointed out: It is essential to give full play to the functions of public security organizations in protecting the political and social stability of the state; and in smashing the schemes of hostile forces at home and abroad in carrying out subversion, infiltration, and peaceful evolution. Meanwhile it is essential to carry out education constantly among the broad masses of cadres and people on opposing subversion, infiltration, and peaceful evolution. We should enable the cadres and masses to be keenly aware of the enemies' presence and overcome their numbed thinking.

He called on public security organizations at various levels to attach great importance to strengthening the building of public security workers and raising the quality of public security workers. He said: Party committees must strengthen their centralized and unified leadership over public security work. Party committees and governments at various levels should make public security work an important item on their daily agenda and pay particular attention to the building of leading groups in public security organizations and among the ranks of public security workers. Public security organizations should strengthen their own party building and sense of organization and discipline; resolutely implement the party's decisions; consciously accept supervision by the party; and implement the party's principles and policies down to the grass-roots level.

In his report, Wang Shengjun summed up the experiences of public security work in Anhui for the past 14 years, analyzed the public security situation in the entire province, and made arrangements for the fundamental tasks of the 1990's, and in the future in light of the actual conditions in the province.

1. It is essential to strengthen vigorously struggles against subversion, infiltration, and peaceful evolution, and protect the overall stability of society.
2. It is essential to continue the work of properly preventing and handling sudden incidents.
3. It is essential to deal heavy blows to criminal activities and stop the tendency toward increasing crime.
4. It is essential to strengthen management over public security and prevention of crime, and make greater efforts to maintain public order.
5. It is essential to strengthen the basic work of public security and promote a good trend of public order.

He called on public security organizations throughout the province and armed police units to strengthen their

revolutionization, modernization, and regularization, and ensure that public security units can successfully accomplish the historical tasks in the new period.

### **Shandong Advisory Commission Holds Plenum**

SK1412083491 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 13 Dec 91

[Text] The sixth plenary session of the provincial Advisory Commission was held in Jinan on 13 December. The session unanimously supported the CPC Central Committee's decision on further strengthening agriculture and rural work adopted by the Eighth Plenary Session of the 13th CPC Central Committee, and the important speech made by Comrade Jiang Zemin at the session. The session also supported the Shandong CPC Committee's opinions, adopted by the seventh enlarged plenary session of the fifth provincial party committee, on implementing the CPC Central Committee's decision on further strengthening agriculture and rural work; and agreed to the speech made by Comrade Jiang Chunyun at the conclusion of the seventh plenary session of the fifth provincial party committee.

Participants in the plenary session of the provincial Advisory Commission unanimously maintained: The CPC Central Committee's decision on further strengthening agriculture and rural work is a programmatic document to guide the country's agriculture and rural work. The Shandong provincial party committee's opinions for implementing the CPC Central Committee's decision are in agreement with the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee, with the rural economic development of Shandong Province, and with the reality of Shandong's reform; and thus will certainly produce a tremendous promotion and guidance role in further strengthening the province's rural work and in improving people's living standards to a better-off level.

The plenary session of the provincial Advisory Commission pointed out: In the coming new year, all the work of the provincial Advisory Commission should be guided by the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee and the guidelines of the seventh plenary session of the fifth provincial party committee. At the same time, the provincial Advisory Commission should dedicate itself to supporting and safeguarding leadership of the provincial party committee, should strive to fulfill all tasks assigned by the provincial party committee; and should greet the successful convocation of the 14th National CPC Congress with new achievements.

### **Shandong Discipline Inspection Commission Meets**

SK1412091191 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 13 Dec 91

[Text] The seventh plenary session of the provincial Discipline Inspection Commission was held in Jinan on

13 December. Li Farong, member of the Central Discipline Inspection Commission, attended the session and made a speech. Yuan Bo, deputy secretary of the provincial Discipline Inspection Commission, also spoke. (Yun Zhongxian), deputy secretary of the provincial Discipline Inspection Commission, presided over the session.

The plenary session unanimously adopted the CPC Central Committee's decision on further strengthening agriculture and rural work, approved by the eighth plenary session of the 13th CPC Central Committee, and the communique of the eighth plenary session of the Central Discipline Inspection Commission. The plenary session also supported, and pledged to firmly implement, the opinions approved by the Seventh Plenary Session of the Fifth Shandong CPC Committee on implementing the CPC Central Committee's decision.

The plenary session maintained: Studying and implementing the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee, of the Eighth Plenary Session of the Central Discipline Inspection Commission, and of the seventh plenary session of the fifth provincial party committee, as well as implementing the decision of the CPC Central Committee and the opinions of the provincial party committee are important tasks of party organizations at all levels throughout the province at present.

The plenary session pointed out: Party organizations at all levels should bring the building of party style and party discipline into line with the rural development plan, and should grasp the building in combination with rural reform and agricultural development. Such organizations should also strengthen the education on party spirit and party discipline among party members in the rural areas in order to enhance their consciousness in implementing the party's basic line and various principles and policies, intensify their awareness of party spirit and their sense of policy and discipline, and give full play to their vanguard and exemplary role. Such organizations should conscientiously solve the problems about which the masses complain strongly and the problems which hamper the development of agriculture; resolutely check wanton collections of fees, fines, and apportionments; strive to lighten burdens on peasants; should examine and correct unhealthy trends of trades; and render good service to peasants and the masses. Regarding matters of common concern of the peasants and masses, the system of making work procedures and work results known to the public and subjecting them to the masses supervision should be continuously implemented. Attention should be paid to building the ideological and work style of party organizations and leading bodies at the grass-roots level in the rural areas. At the same time, efforts should be made to building party organizations at the grass-roots level in the rural areas into a strong fortress which firmly and unswervingly follows the socialist road, maintains close ties with the masses, positively carries out reform, expands the collectively run economy, develops agriculture, and is combat-worthy.



### People's Congress Committee Holds Session

SK1512103591 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 14 Dec 91

[Text] The 25th Standing Committee meeting of the seventh provincial people's congress opened at Nanjiao Guesthouse in Jinan on 14 December. Li Zhen, chairman of the provincial People's Congress Standing Committee, presided over the meeting and delivered a speech.

At the plenary session held on the morning of 14 December, members first approved the suggested items on this meeting's agenda. Then, they conscientiously listened to the report made by Chen Shibin, vice chairman of the Urban and Rural Construction and Environmental Protection Committee under the provincial people's congress, on the examination results of Shandong Province's draft regulations on postal and telecommunications service; the report made by Gao Chuanjie, vice chairman of the Rural Economic Committee under the provincial people's congress, on the examination results of Shandong Province's draft methods on implementing the PRC's law on protection of wild animals; and the report made by Li Hongcheng, vice chairman of the Legal Committee under the provincial people's congress, on the examination results of Shandong Province's draft methods on management of and punishment to [words indistinct].

Members also listened to the report on Jinan's regulations regarding national defense education, the report on Qingdao's regulations regarding arbitration of urban house property disputes, and the report on the Qingdao People's Congress Standing Committee's decision on revising Qingdao's provisional methods on urban public house management, which were made by Wang Shenglin, deputy secretary general of the provincial People's Congress Standing Committee. Wang is also director of the Legal Work Office under the provincial people's congress and his report will be submitted to the forthcoming people's congress session for examination and approval. Members also listened to the explanation made by Song Xihuan, chairman of the provincial Urban and Rural Construction Committee, on Shandong Province's draft regulations on arbitration of urban house property disputes; and the explanation made by Han Bangju, specially invited adviser to the provincial government and deputy director of the provincial Committee for Comprehensive Management of Social Security, on Shandong Province's draft regulations on comprehensive management of social security.

Li Zhen said in his speech: This regular meeting has been convened as the whole party and all people in the country are conscientiously studying and implementing the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee. To implement the guidelines well, the provincial party committee convened the seventh enlarged plenary session to adopt the committee's opinions for implementing the CPC Central Committee's decision on further strengthening agriculture and rural work. Li Zhen expressed the hope that members

would conscientiously study and comprehend the guidelines of the documents, and would unite their ideology and understanding with the guidelines of the sessions of the CPC Central Committee and the provincial party committee. To implement successfully the guidelines of the two sessions in line with the reality of the people's congress' work, this meeting has already adopted corresponding resolutions.

Present at the meeting were Lu Hong, Xiao Han, Wang Shufang, Xu Jianchun, Lin Ping, Zeng Chengkui, Yan Qingqing, Li Ye, and Ma Xutao, vice chairmen of the provincial People's Congress Standing Committee. Attending the meeting as observers were Guo Changcai, vice governor of the province; Xu Leijian, Gao Fengwu, and Zhang Zhusheng, deputies to the national and the provincial people's congresses; Jin Baozhen, vice chairman of the provincial Chinese People's Political Consultative Conference Committee; Yu Peigao, president of the provincial Higher People's Court; Zang Kun, chief procurator of the provincial People's Procuratorate; responsible comrades of the pertinent departments under the provincial people's congress and the provincial government; responsible comrades of People's Congress Standing Committees in various cities; responsible comrades of people's congress work committees in various prefectures; and responsible comrades of People's Congress Standing Committees in some counties and cities.

### Shandong Views Discipline Inspection Work

SK1612084491 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 15 Dec 91

[Text] Since the beginning of this year, discipline inspection organizations at all levels and the large number of discipline inspection cadres throughout the province have comprehensively carried out their duties entrusted by the party Constitution, resolutely punished corruption, intensified efforts to improve party style and maintain honesty, firmly facilitated reform, opening up, and economic development, and have achieved marked results.

In the past year, party committees at all levels strengthened leadership over discipline enforcement and handling of cases from the perspective of opposing corruption and guarding against degeneration. Discipline inspection commissions at all levels regarded discipline enforcement and handling of cases as an important link in the endeavor to improve party style and maintain honesty and placed it in a prominent position. They investigated and handled the discipline breaches committed by leading cadres in particular, and persisted in enforcing discipline strictly, thus improving the quality in handling cases and ensuring the sanctity of party discipline.

From January to November this year, the province investigated and handled more than 26,000 discipline breaches within the party and punished 23,000 discipline violating party members, of whom 3,900 were expelled from the party. Discipline inspection departments at the provincial and prefectural levels handled 654 cases and dealt with eight cadres at the departmental

or bureau level, 75 cadres at the county or division level, and 699 cadres at the section level. Discipline inspection departments paid attention to handling of cases and education simultaneously. Following last year's activities to study the party Constitution and improve party style, they again conducted intensive education on party spirit, party style, and party discipline extensively this year, with the focus on the study of party rules and regulations. Ninety-five percent of the party members throughout the province participated in the study, which greatly enhanced their sense of respect for discipline.

In the endeavor to solve the notorious problems about which the masses have many complaints, discipline inspection organizations at all levels achieved new progress by coordinating the efforts to check unhealthy trends with those to enforce discipline, the efforts to implement order with those to improve systems, the efforts to check problems with those to conduct education on professional ethics, and the efforts to strengthen leadership with those to mobilize the masses to exercise supervision. The province has by and large checked the unhealthy trend of building private houses in violation of law and discipline. A total of 18,000 households were discovered to have built private houses in violation of law and discipline, 258 cadres with party membership were punished according to disciplinary actions, and 13,000 persons were given economic sanctions. The province discovered 24,000 unhealthy practices in some trades and punished more than 1,500 cases involving unhealthy practices. It achieved initial success in checking arbitrary collection of fines, fares, and donations. This year, the province banned the collection of fines, fares and donations for 117 purposes. All localities and units have also abolished the fines, fares, and donations for some purposes. In this way, the burden of enterprises and peasants is expected to be reduced by 700 million yuan.

#### Shandong Land Development Achievements Reported

SK1512045491 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 13 Dec 91

[Text] At the provincial meeting on land development and reclamation, which ended in Feicheng County on 13 December, reporter (Li Changwen) and correspondent (Wang Shanzhan) learned that the province has made marked achievements in land management in recent years. According to statistics, from 1988 to 1990, the province as a whole developed and reclaimed 1.254 million mu of land and added 600,000 mu of cultivated areas. Many prefectures and cities basically fulfilled the goal set by the provincial party committee and the provincial government on stabilizing existing cultivated areas. In many localities a vast number of rural cadres are developing land. These localities have basically given birth to an all-out effort to develop land during slack season in farming, with little effort to do it during the busy season; to develop land throughout the year; and to give every township or village projects and let them vie with one another in undertaking projects. However,

money and material shortages still hamper land development and reclamation. Management of functions and construction of the legal system are not perfect enough. There are still 26 million mu of unutilized areas, 800,000 mu of waste industrial and mining areas, and 5 million mu of beach areas in the province.

During the Eighth Five-Year Plan and the next 10 years, the specific tasks for the province's land development and reclamation are: The province as a whole should develop an average of 400,000 mu of land every year, ensure a basic balance between the land developed and the land used by construction projects, and stabilize the cultivated areas throughout the province at 100 million mu or more by the end of this century.

Priorities of land development and reclamation in the near future are the large-scale development of barren land and beaches on Huanghe Delta, the comprehensive development of mountain and hilly areas, and the reclamation of the subsided land of mining areas.

At this meeting, Feicheng, Zhaoyuan, Anqiu, Pingyi, and 15 other counties, cities, and districts were conferred the title of advanced county, city, or district in land development and reclamation.

#### Zhejiang Expects Good Harvest Despite Floods

OW1812041291 Beijing XINHUA in English  
0320 GMT 18 Dec 91

[Text] Hangzhou, December 18 (XINHUA)—East China's Zhejiang Province expects a good grain harvest this year despite having suffered from severe flooding during the summer.

Information released by the provincial government indicates that the province's total rural income is expected to reach 104.1 billion yuan, 11.7 percent more than that for 1990. In addition, the per capita income will exceed the 1,000 yuan average for the past two years.

The province's total grain output is expected to exceed 16.3 million tons, up 450,000 tons over 1990, and the third bumper grain harvest since 1982. The cotton output will surpass 70,846 tons, the second consecutive good harvest. At the same time, the orange output is expected to reach 1.02 million tons, and over 75.99 million domestic fowls are expected to be sold. The province will also record an increase in the output of aquatic products to reach over 1.43 million tons, an increase of 3.2 percent over last year.

The figures are quite amazing considering that during spring Zhejiang Province was hit by unexpected heavy concentration of rain which reduced the output of spring crops and early rice by at least 310,000 tons. In addition, severe flooding which struck the northern part of the province during summer reduced the grain output by over 350 million kilograms and caused economic losses totalling 1.35 billion yuan. Southern sections of the

province suffered from a serious drought which affected 436,000 hectares (ha) of farmland.

Nonetheless, the province expects a good grain harvest due in part to the agricultural service system which has been established in recent years.

In 1988, the province began to encourage leading cadres from the provincial party committee and government to personally take part in directing agricultural production. Thus far, such systems have been formed at all levels of provincial government. At the same time, leaders at various levels have signed contracts to direct construction of high yield agricultural land which now covers over 48,000 ha.

Since 1988, the provincial government has paid much attention to the construction of a social service system for agricultural production. The province has opened 77 centers at the county level for the sole purpose of popularizing agricultural techniques, 435 prefectural agritechnology stations, 11,368 township agricultural science and farming technology stations, and numerous agrotechnology and management stations. The province has also organized a technical group for popularizing agricultural technologies. The group consists of over 16,000 state agricultural technicians, 22,000 agricultural technicians from rural towns and villages, and 108,000 families who play a leading role in trying out advanced agricultural technology.

Zhejiang also formed 2,265 county agricultural technology associations, 2,383 associations at the township level and a large number of village groups to introduce and popularize agricultural technology.

As part of an effort to help farmers sell their products, the province has opened 123 agricultural products wholesale markets.

At present, some 182,300 village agricultural technicians provide services related to mechanized ploughing, water drainage and irrigation, and proper utilization of fertilizers. The province has also opened more than 300 seed supply stations in the Hangzhou-Jiaxing-Huzhou area, and in other key commodity grain bases throughout the province. This year's planting of early hybrid rice covered 56,200 hectares, double the figure for 1988 and a historical high.

During 1990, the provincial government allocated over 788 million yuan for agricultural development, up 2.6 percent over 1990. The institution of preferential policies has also encouraged farmers to increase their investments in land.

**Zhejiang Increases Forest Coverage, 'Green' Areas**  
OW1612025991 Beijing XINHUA in English  
0114 GMT 16 Dec 91

[Text] Hangzhou, December 16 (XINHUA)—East China's Zhejiang Province has increased its forest coverage from the

36.4 percent 10 years ago to 45.8 percent at present, over 30 percent more than the country's average.

Over the past decade, about 48 million people have been involved in the drive to plant 290 million trees, 5.94 million flowering plants, 1.25 million sq m of lawns, and 4,261 km of green areas.

The province has a per capita urban green area of three sq m.

### Central-South Region

#### Guan Guangfu Briefs Cadres on Plenum Guidelines

HK1312062191 Wuhan Hubei People's Radio Network  
in Mandarin 1000 GMT 11 Dec 91

[Excerpt] Yesterday morning, the provincial party committee called a meeting for party-member leading cadres at prefectural and departmental levels and above to relay the spirit of the Eighth Plenary Session of the 13th CPC Central Committee and to make arrangements for studying and implementing the spirit of the session.

Guan Guangfu, provincial party committee secretary, briefed the meeting participants on Comrade Jiang Zemin's speech at the session, on how the plenary session was held, the essence of the session, and the opinions on implementing the spirit of the plenary session.

Deputy Secretary Qian Yunlu conveyed the CPC Central Committee's resolutions on further strengthening agriculture and rural work.

Deputy Secretary Guo Shuyan presided over the meeting.

Earlier, the provincial party committee Standing Committee held a meeting on 12 December to relay and study the spirit of the Eighth Plenary Session of the 13th CPC Central Committee. The meeting also discussed plans for implementing the resolutions.

Guan Guangfu said: The Eighth Plenary Session of the 13th CPC Central Committee was a very important meeting. The plenary session was mainly designed to deliberate on the CPC Central Committee's resolutions on further strengthening agriculture and rural work and the resolution on calling the 14th CPC National Congress.

The plenary session comprehensively analyzed the achievements made in agricultural development and rural work in the 1980's, set forth the major tasks for the 1990's, and defined a series of principles and policies, which will certainly guide and encourage the whole party membership and the people of all nationalities across the country to open up new prospects for China's agricultural development and rural work in the process of comprehensively attaining the second-step strategic objective for economic and social development. We must do a good job studying, conveying, and implementing the spirit of the Eighth Plenary Session of the 13th CPC Central Committee.



Comrade Guan Guangfu went on: The resolutions give concentrated expression to the spirit of the plenary session. After a brief study, we have noticed that the resolutions bear a few salient characteristics.

1. The resolutions maintain the stability and continuity of the party's rural policies introduced since the Third Plenary Session of the 11th CPC Central Committee. After further reaffirming the important strategic position of China's agriculture and rural work, the resolutions pointed out: Agriculture provides the base for economic development, social stability, and national independence. The problem concerning peasants and rural areas has always constituted a basic problem in China's revolution and national development. The resolutions give in succinct outline and reaffirm the basic policies formulated in the practice of rural reforms under the party's guidance, and set forth basic principles which must be followed in building a socialist countryside with Chinese characteristics. This is of great importance to overall and long-term stability.

2. The resolutions make a correct analysis of the situation in rural areas, making an appropriate estimate of the achievements, sharply pointing out existing problems while remaining confident, and accurately singling out outstanding principal contradictions. So these resolutions will serve as a useful guide in our future work.

3. The resolutions stress the need to deepen rural reforms. The key tasks and general orientation defined in the resolutions are: Continue to stabilize the contracted responsibility system on the household basis with remuneration linked to output as the main form; constantly perfect the dual management system characterized by unity and separation; vigorously develop the socialized service system; and gradually increase the strength of the collective economy and guide the peasants to achieve common prosperity. The resolutions also called for accelerated circulation reform.

4. The resolutions stress the importance of increased input in agriculture and accelerating the development of agro-industry.

5. The resolutions consider it necessary to pay equal attention to material and spiritual civilization.

6. The resolutions set more specific tasks and orientation for agricultural development in the next 10 years.

Comrade Guan Guangfu emphasized: The spirit of the Eighth Plenary Session of the 13th CPC Central Committee constitutes a powerful ideological weapon for unifying our thinking. We should pay great attention to the following points in relaying and implementing the spirit.

1. We should try to enhance our understanding and comprehension by carefully reading the documents. Party organizations at all levels must attach great importance to the study of the spirit of the plenary session. The provincial party committee Standing Committee and

departments directly under the provincial party committee and government must allocate a certain period of time for the study of the documents. Democratic parties should do likewise. All localities must make proper arrangements and do a good job in organizing the study so that our comrades will think in compliance with the spirit of the plenary session.

2. In studying the documents, we should apply the spirit to the realities in Hubei. After arriving at a thorough understanding of the situation in rural areas and their problems and experience, we should try our best to solve the following problems: 1) The problem concerning the orientation, objective, and measures for agricultural development in Hubei for the 1990's; 2) the problems which call for immediate solution in agricultural development in 1992; 3) the problems restricting agricultural development and rural work. We should truly solve a number of problems arising from erroneous thinking and from work and practical problems; 4) It is necessary to conduct thorough investigations and studies. The investigation and study assigned recently is demanding while the time allocated is hardly enough. However, we must make a success of it. The investigation groups must deal with both general and specific problems. Aside from taking part in investigations and studies organized by the provincial government, departments directly under the provincial party committee and government should put forward their plans in line with their actual conditions, giving full play to their functional role. [passage omitted]

### Briefs Non-Communists

HK1512071491 Wuhan Hubei People's Radio Network  
in Mandarin 1000 GMT 13 Dec 91

[Excerpts] The provincial party committee invited some non-party figures to a meeting held at the Hubei Hotel on 13 December. Guan Guangfu, provincial party committee secretary, briefed responsible members of various democratic parties and the Association of Industry and Commerce on the Eighth Plenary Session of the 13th CPC Central Committee on the broad outline, its spirit, and the provincial party committee's opinions on relaying and implementing the spirit of the plenary session.

The meeting was presided over by Comrade Zheng Yunfei. [passage omitted]

In his speech, Guan Guangfu gave a brief account of the plenary session. He said: The plenary session was mainly designed to deliberate on and pass the CPC Central Committee's resolutions on further strengthening agriculture and rural work and on calling the 14th CPC National Congress.

The meeting centered on strengthening agriculture and rural work. The participants had an adequate and free discussion on the resolutions.

The resolutions on further strengthening agriculture and rural work approved by the session highlight its spirit. The document is a crystallization of the wisdom of the

whole party membership and the people of the whole country, and also a programmatic document serving as a guide for building a new, socialist countryside with Chinese characteristics.

The resolutions maintain the stability and continuity of the party's principles and policies for rural areas introduced since the Third Plenary Session of the 11th CPC Central Committee, clearly define the orientation and tasks for rural development, further stress the strategic position of China's agriculture and rural work, correctly analyze the situation in the countryside, appropriately reaffirm achievements made, sharply point out the outstanding problems while remaining confident, accurately single out the current principal contradictions, and stress the need to deepen rural reforms.

According to the resolutions, the general orientation and key tasks are: Continue to stabilize the contracted responsibility system on a household basis with remuneration linked to output as the main form; constantly perfect the dual system that combines household with collective operations; vigorously develop the socialized service system; and gradually increase the strength of the collective economy in an effort to guide the peasants onto the road to common prosperity. The resolutions call for equal attention to both material and spiritual civilization.

Regarding the resolution on calling the 14th CPC National Congress, Guan Guangfu said: The 14th CPC National Congress is to be a very important meeting in the process of China's modernization drive. It will have an enormous and far-reaching impact on efforts to inherit the past and usher in the future and push forward the great cause of building socialism with Chinese characteristics. To greet the convocation of the 14th CPC National Congress, the most important thing to do is to implement comprehensively the party's basic line of focusing on economic construction, adhering to the four cardinal principles, and persisting in reform and opening up so as to consolidate and develop political stability and unity. [passage omitted]

#### **Xiong Qingquan Chairs Meeting on Party Plenum**

HK1412072691 Changsha Hunan People's Radio  
Network in Mandarin 2300 GMT 11 Dec 91

[Excerpts] The provincial party committee Standing Committee called an enlarged meeting 10 December to study the spirit of the Eighth Plenary Session of the 13th CPC Central Committee. Comrade Xiong Qingquan presided over the meeting. [passage omitted]

During the discussion, the participants fully reaffirmed the great changes in the province's agriculture and rural areas. [passage indistinct] The province managed to gather another good harvest despite serious natural disasters this year. Forestry, animal husbandry, fishery, side-line production, and rural enterprises preserved the favorable momentum of growth. [passage indistinct].

The meeting participants conscientiously analyzed various weak links in agricultural production and rural work and pointed out that Hunan has a long way to go in these respects compared with Shandong and other provinces.

The meeting participants believed that to implement the spirit of the Eighth Plenary Session of the 13th CPC Central Committee, we must learn from other provinces' experiences and give full play to Hunan's advantages to create a formula for agricultural development with Hunan's characteristics, thus opening up new prospects for Hunan's agriculture and rural work.

The participants devoted much time to grasping the Eighth Plenary Session's spirit and to analyzing Hunan's agricultural production and problems concerning rural work. They maintained the major tasks for developing agricultural production in 1990's are: We should try to change low-yield agriculture into high-yield agriculture, replacing the agriculture with small production with [words indistinct]. We must make a greater breakthrough in the socialization, commercialization, and modernization drive of agriculture. We must be determined to readjust the mix of agricultural products. [words indistinct] While making the best use of Hunan's geographical advantages, we must engage in different development undertakings in line with actual local conditions. In developing [words indistinct], we must vigorously encourage the wide use of the experience created by Huaihua County, changing the mountains into timber forests and orchards, which meets the peasants' eye once they open their doors. In the area around the Dongting Hu, we should step up overall development and continue to give play to our advantages in cotton and grain production. We should improve the overall efficiency of agricultural production by reasonably coordinating various fields, including grain and cotton production, fisheries, pig-raising, and so on. We must deepen rural reforms and improve the socialized service system. It is essential to continue stabilizing the contract responsibility system on a household basis with remuneration linked to output as the main form and constantly perfect the dual management system that combines household with collective operations. We should vigorously develop the socialized service system and make the service available to more fields and people. We must vigorously and reliably push forward the price reform relating to agricultural products and circulation reform in accordance with the principle of integrating the planned economy with market regulation, further invigorating circulation, and helping the peasants overcome their difficulties in selling and purchasing grain. We should rely upon science and technology and education to revitalize agriculture and bring into full play the role of the rural scientific and educational centers. We should take full advantage of party schools at township and village levels to step up education in science and technology and management to enhance peasants' and cadres' scientific and cultural standards. Efforts should be made to raise funds through different channels to increase input in agriculture and to boost farmland

capital construction, thus building up greater power for sustained agricultural development and improving our ability to resist natural disasters. We should continue to do a good job in conducting socialist ideological education in rural areas and strengthen rural grass-roots units with the party branch functioning as a political nucleus. [passage omitted]

### Views Agriculture, Forestry

HK1612152491 *Changsha Hunan People's Radio Network in Mandarin 2300 GMT 14 Dec 91*

[Text] While inspecting Zixing, Yizhang, Rucheng, and Linwu Counties and towns in Chenzhou Prefecture from 13-14 December, Xiong Qingquan, provincial party committee secretary, and Deputy Sun Wensheng stressed: To develop forestry and mountain areas, we must readjust the setup of agricultural and forestry production and improve their quality.

Accompanied by (Zhou Shichang), secretary of Chenzhou prefectural party committee; (Zhao Yizheng), commissioner of the administrative office; and (Chen Ruixiang), director of the provincial Forestry Department, Xiong Qingquan and Sun Wensheng inspected the afforestation project in Zixing town, the (Lusheng) high-yield forest project on (Feie Shan), the (Liangtianping) superb fruit production base in Wenming village, Rucheng County, and other key forestry development projects. They attentively listened to the reports by responsible members concerned.

They spoke highly of the achievements made by the party committees and governments at all levels in Chenzhou Prefecture in promoting agricultural and forestry development over the last few years.

At the forum held at the prefectural party committee's administrative office, Comrade Xiong Qingquan pointed out: Seventy-five percent of Hunan is covered by mountains, so there lie our advantages and our hope. We have to develop mountain areas if they hold us back. It is very difficult to give the peasants a fairly comfortable life. It is necessary for both agriculture and forestry to readjust their structure and improve their quality. We have to develop comprehensively orchards and forests of economic value. We have to replace small forestry with major forestry. We must promote agricultural and forestry development through application of scientific and technological achievements and promotion of education, change low-yield agriculture into high-yield agriculture as soon as possible, and change low-yield forestry into high-yield forestry.

During the inspection, Xiong Qingquan and Sun Wensheng also encouraged various Chenzhou departments to constantly explore new ways and analyze their experiences to create their own formulas for developing agriculture, forestry, and mountain areas.

### Drug Smugglers Convicted, Executed in Changsha

OW1412130491 *Beijing XINHUA in English 1238 GMT 14 Dec 91*

[Text] Changsha, December 14 (XINHUA)—Five drug smugglers were sentenced to death today by the Intermediate People's Court in Changsha, the capital city of Hunan Province.

Two of the five were executed immediately, while the others received a reprieve.

At the same time, ten of the smugglers were sentenced to life in prison.

According to the final verdict read by the president of the Changsha Intermediate People's Court, Ma Zhi and Feng Chuhua, who were immediately executed, led a gang of smugglers which illegally crossed the Burmese border to smuggle heroin on four occasions between February and December 1990.

The two led the gang which smuggled over 1,113 grams of heroin valued at over 86,000 yuan into China and sold them in Guangzhou and Changsha.

The other criminals were sentenced because of their involvement in the smuggling and sales of drugs.

Yu Qinghua, secretary of Political and Legal Committee of the Changsha municipal government, called on all citizens to contribute to the elimination of drug smuggling activities.

### Southwest Region

#### Tibet Prefecture Meeting Discusses Plenum

OW0812141591 *Lhasa Tibet Television Network in Mandarin 1300 GMT 6 Dec 91*

[By station reporter Bugeboji and correspondent Gang Zu; from the "Tibet News" program]

[Text] Nagqu Prefecture held its first work meeting on party building at the grass-roots units in animal husbandry and agricultural areas in Nagqu town on 1 December. (Wang Chongliang), deputy secretary of the autonomous regional Discipline Inspection Commission, made a special trip to attend the meeting on behalf of the regional party committee.

The Nagqu prefectural work meeting on party building at the grass-roots units in animal husbandry and agricultural areas lasted five days. Using the guidelines of the speech delivered by General Secretary Jiang on 1 July as guidance, the meeting studied and discussed the decision made by the Eighth Plenary Session of the 13th CPC Central Committee on further promoting agricultural development and improving rural work, analyzed the current political and economic situations in Nagqu Prefecture, and conscientiously summed up the experiences



acquired from the work of promoting party building at the grass-roots units in both animal husbandry and agricultural areas.

The regional party committee sent a cable offering congratulations on opening of the Nagqu prefectural work meeting on party building at the grass-roots units in animal husbandry and agricultural areas. On behalf of the regional party committee, Comrade (Wang Chongliang) spoke at the meeting. He said: If we want to improve the work of party building at the grass-roots units, we must first begin with improvement of the ideological work and endeavor to promote development of the primary organizations, enhance the combat effectiveness of the party organizations, incorporate improvement of the party's work style at the grass-roots units into the work schedule of the party organizations at the grass-roots units, and make unremitting efforts to see to fulfillment of these tasks.

#### **Pu Chaozhu on Party Building, Peaceful Evolution**

HK1712044091 Kunming Yunnan People's Radio  
Network in Mandarin 1000 GMT 14 Dec 91

[Text] This morning, Pu Chaozhu, provincial party committee secretary and provincial party school president, during his ideological summation and mobilization report on the second-phase rotational three-basics training class of the provincial party school, emphatically pointed out: The key to preventing and opposing peaceful evolution lies in successfully building our party. Party building is fundamentally aimed at heightening the Marxist standard of the whole party.

Pu Chaozhu stated in his report: The replacement of capitalism with socialism is a long process of historical development and a goal to be attained only after repeated struggles by several generations. The international struggle between the two different social systems will not cease even with the latest worldwide scientific and technological development and the relative stability of the capitalist world at a certain stage. In instigating peaceful evolution, imperialism has placed its hope on our younger generations. The next decade will be at once a crucial period for our country's economic construction and social development and a crucial period for the replacement of old cadres by new ones. The party-member cadres who are now around 50 years old or have not yet turned 50 will remain as the backbone leaders at all levels this century and next century. They are shouldering the great historical mission of building socialism with salient Chinese characteristics. Their political

quality as well as ideological and theoretical standard will determine the future destiny of the party and the state. Therefore, we must heighten our own consciousness in studying Marxist theories from the high plane of the great historical mission we are shouldering.

Pu Chaozhu asserted: To sum up, in studying Marxism, we must integrate theory with practice, employ the weapon of criticism and self-criticism, carry out rectification, and combine studying theories with consciously remolding world outlook, overcoming non-proletarian ideologies, heightening understanding, enhancing party spirit, and strengthening solidarity.

Pu Chaozhu called in his report on all the comrades undergoing training in the provincial party school to resolve appropriately the following four questions in accordance with an instruction issued by the Central Committee on improving five basic qualities among party-member cadres and in light of the realities among cadres:

1. The faith in socialism and communism;
2. The ultimate goal of whole-heartedly serving the people;
3. The adherence to the party's ideological line of seeking truth from facts;
4. The perseverance in the organizational principle of democratic centralism.

Pu Chaozhu stressed: All party-member cadres must bear a grand goal in their hearts, unswervingly devote their whole lives to communism, never succumb to pressure, never despair in face of difficulties, be brave in upholding truth, never bend with the wind, never blindly follow books, never blindly take orders from superiors, stick to truth, proceed from actual conditions in doing everything, implement and carry out all instructions issued by the Central Committee and the higher authorities, avoid acting only as microphones and gramophones, make redoubled efforts to carry out investigation and study, and carry out all instructions issued by the higher authorities in a creative manner as well as in light of actual situation in various local areas—this being a really responsible attitude toward the party and the people. All Communist Party members must always be good at properly handling relations between individuals and organizations, this being the most fundamental touchstone for assessing the party spirit. We must persist in the system of democratic centralism, safeguard solidarity within the party, and strive to heighten the party's combat effectiveness.

**Independence Activist's Wife Deported to U.S.***OW1812075691 Taipei CNA in English 0742 GMT  
18 Dec 91*

[Text] Taipei, Dec. 18 (CNA)—Chang Ting-lan, wife of World United Formosans for Independence (WUFI) President Chang Tsan-hung, was deported back to the United States Wednesday morning after she tried to enter Taiwan on a passport issued to another woman.

She arrived at Chiang Kai-shek International Airport late Tuesday night by Northwest Airlines. She was detained after immigration officers found that she was using a Republic of China passport issued to another woman Chang Li-ching.

Legislators Hsieh Chang-ting and Wei Yao-chien of the opposition Democratic Progressive Party waited in vain to see Chang Ting-lan at the airport but she had left for the United States.

**Taiwan Said Negotiating for German Submarines***HK1812102491 Hong Kong AFP in English 0943 GMT  
18 Dec 91*

[Text] Taipei, Dec. 18 (AFP)—Taiwan is in the final stages of negotiations with Germany to purchase four submarines, the mass-circulation UNITED EVENING NEWS reported Wednesday.

"A memorandum is expected to be signed in the first half of next year," the paper said.

The model 1200 HDW209 submarines carry a crew of 33 and can launch 14 guided torpedoes, it said.

Taiwan is also planning to buy two sea elephant submarines from the Netherlands, the paper reported.

The Dutch Navy originally planned to take the two subs, the largest diesel/electric model in the world, but later dropped the project after a defense budget cut.

The submarines have four launchers that can fire 20 large guided torpedoes, the report said.

Taiwan has been focussing its defense spending on measures to overcome a possible sea blockade of the island, which relies heavily on trade and shipping.

Arms sales to Taiwan have often prompted condemnations from Taipei's rival government in Beijing, which regards the island as a breakaway province.

A Defense Ministry spokesman said he had read the press report, but would not comment on it.

**Citizens Urged To Vote According to 'Conscience'***OW1812104791 Taipei CNA in English 0740 GMT  
18 Dec 91*

[Text] Taipei, Dec. 18 (CNA)—Premier Hao Po-tsun urged all voters Tuesday to cast their "sacred" ballots in "the most important elections in 40 years" this coming Saturday.

Speaking to civil servants and representatives of the disabled in Kaohsiung, Hao said that the National Assembly elections will decide the country's future because the new assembly members will be responsible for amending the Constitution.

Hao compared the Constitution to a roof under which the citizens of the Republic of China have grown and prospered.

"You can feel dissatisfied with the government, you can feel dissatisfied with society, but you cannot feel dissatisfied with the Republic of China," Hao said.

"Winds and rains will hit us once our roof is broken. I do not think this is something we want to see," the premier continued.

Using his or her "sacred" vote to decide both one's own and the nation's destiny is something every citizen of a modern democracy must do, Hao said.

He hopes that in the upcoming elections the electorate will help create a "political miracle" so that President Li Teng-hui's constitutional reforms can be smoothly implemented.

He also expressed the hope that all voters will cast their ballots according to their conscience and that there will not be any vote-buying or bribery.

Hao warned the voters not to "experiment" with opposition claims that Taiwan independence will bring United Nations membership to Taiwan.

"Will Communist China agree to an independent Taiwan?" Hao asked. "Communist China may even attack Taiwan if it declares independence," he added.

Only when communism has been given up on the mainland, and only when the mainland is democratized, can "we talk about unification with Mainland China," Hao said. "None of us wants unification now," he added.

If and when the mainland is democratized, it will be Taiwan's market and it will also be a supplier of natural resources, Hao remarked.

**New Taiwan Dollar 'World's Strongest Currency'***OW1812102291 Taipei CNA in English 0811 GMT  
18 Dec 91*

[Text] Taipei, Dec. 18 (CNA)—The new Taiwan [NT] dollar has appreciated 4.8 percent against the US dollar since the beginning of this year, making it the world's strongest currency, the Council for Economic Planning and Development (CEPD) reported Tuesday.

The average exchange rate between the national currency and the greenback was NT\$25.98 against one US dollar in November, compared to NT\$27.2 vs. one greenback in the same month of 1990, the cabinet-level agency said.

The NT dollar has been stronger than other major Asian currencies during the past year, CEPD noted. The Singapore dollar has appreciated 2.3 percent against the greenback so far this year; the value of the Hong Kong [HK] dollar has remained unchanged; the Korean won and the Japanese yen have, however, depreciated 5.1 percent and 0.5 percent, respectively.

In November, one US dollar was worth 753.04 won, HK\$7.81, 1.67 Singapore dollars and 129.7 yen, according to CEPD tallies.

The NT dollar has also outshone major European currencies, CEPD noted. The Swiss franc has depreciated 12.5 percent against the greenback since early this year; the French franc has dropped 9.7 percent; the pound sterling, 9.4 percent; the Italian lira, 8.7 percent; the Deutsche mark, 8.4 percent; and the Netherlands guilder, 8.3 percent.

During the same period, the Canadian and Australian currencies have appreciated 2.9 percent and 1.5 percent against the greenback.

CEPD officials attributed the NT dollar's strength in part to the country's favorable international balance of payments as a result of a continuing foreign trade surplus. Another major reason is the relatively high interest rates here, which have triggered an influx of speculative "hot money," the officials observed.

The officials pointed out, however, that the appreciation of the NT dollar and the weak global economy seem to have gradually taken their toll on Taiwan's export industries. In the first two weeks of December, the island's exports registered a 0.4 percent decline as compared with the same period of last year, the first drop since April.

The officials said that the strong rise of the NT dollar in November might have pushed some exporters to advance their shipping schedules in order to minimize losses, thus causing a slowdown in outbound shipments in the past two weeks. It is therefore still too early to predict the country's export prospects in the months ahead, the officials concluded.

The Central Bank of China (CBC) announced Tuesday that Taiwan had U.S.\$76.39 billion in foreign exchange reserves at the end of September. The tally has been sent to the International Monetary Fund for inclusion in its annual world financial statistics.

In addition, the country had some U.S.\$5.75 billion in gold reserves in September, CBC tallies show. If the gold reserves were included in the reserve figures, Taiwan's foreign exchange assets would be U.S.\$82.14 billion at the end of September.

According to the latest CBC count, the country's foreign exchange assets, gold reserves included, increased further to U.S.\$82.96 billion at the end of October.

### **Special Fund To Help Small, Medium Businesses**

OW1812104691 Taipei CNA in English 0801 GMT  
18 Dec 91

[Text] Taipei, Dec. 18 (CNA)—The government has set aside a special fund to help small- and medium-sized businesses, a ranking economic affairs official announced Tuesday.

The fund was established in line with the regulations governing small- and medium-sized businesses, the mainstay of Taiwan's economy, the official explained.

The fund will eventually have a capital of NT\$12 billion [new Taiwan dollars], the official said.

The Ministry of Economic Affairs has budgeted NT\$1 billion for the fund for the fiscal year ending June 30, 1992 and will earmark an additional NT\$5 billion for the fund during the next fiscal year, the official said.

A 12-member board, headed by Economic Affairs Minister Hsiao Wan-chang [Vincent Siew], was formed Tuesday to manage the fund. Board members included officials from the Finance Ministry, the Council for Economic Planning and Development and other government agencies.

### **Vincent Siew Meets Thai Commerce Minister**

OW1712083391 Taipei CNA in English 0808 GMT  
17 Dec 91

[Text] Taipei, Dec. 17 (CNA)—Thai Minister of Commerce Amaret Sila-on told Economic Affairs Minister Vincent Siew Monday that he hopes the Republic of China and his country can jointly develop Indochinese markets.

During the two-hour meeting, they exchanged views on ways to further strengthen economic and trade ties between the two countries.

Siew said that Taiwan is planning to use Thailand as a base to expand its markets in Vietnam, Laos, Cambodia and even Burma.

Siew said he hopes Thailand, which will host the Asian Pacific Economic Conference next year, will support the Republic of China's proposal at next year's meeting to set up a small business development project.

Amaret arrived here Sunday for private visit at the invitation of Minister Siew.



**Trade Consultations With Australia Conclude***OW1712083591 Taipei CNA in English 0805 GMT  
17 Dec 91*

[Text] Taipei, Dec. 17 (CNA)—The Republic of China [ROC] has reached a consensus with Australia on copyright protection, exemptions from double taxation, temporary customs clearance and cooperation between investment organizations, Director-General of the Board of Foreign Trade (BOFT) Sheu Ke-sheng said Monday.

Sheu, chief ROC delegate to the ROC-Australia trade consultations, returned home from Australia Sunday after attending Dec. 12 meeting.

Sheu reported that neither side had signed agreements on the issues but had agreed to further discussions.

Sheu said that during the consultations Australia had agreed to support Taiwan's bid to join the General Agreement on Tariffs and Trade, and that Australia hoped to participate in the Republic of China's 1991-96 National Development Plan.

**Taipei Uncertain on Ties With 'New Soviet Union'***OW1812102491 Taipei CNA in English 0752 GMT  
18 Dec 91*

[Text] Taipei, Dec. 18 (CNA)—The government will soon place advertisements in the Russian edition of the *READER'S DIGEST* introducing Taiwan's current situation as part of its efforts to promote Sino-Soviet relations, a Foreign Ministry official said Tuesday.

The decision was made during a meeting of a cabinet-level task force formed earlier this year to boost Taipei-Moscow exchanges, said the official who preferred anonymity.

Quoting US Secretary of State James Baker, the official said, the old Kremlin-centered Soviet Union is fast disintegrating. As the new Commonwealth of Independent States initiated by the three most powerful former Soviet republics—Russia, the Ukraine and Belarus—has not yet taken shape, the official explained, the government will for the moment call that country the "New Soviet Union."

The official reported that the Republic of China has not yet contacted with the "New Soviet Union" because the commonwealth does not have a working organization.

"We won't take concrete action to boost ties with the new union until it becomes a formal political entity in accordance with international law," the official noted.

During Tuesday's meeting, the official said, the supraministerial task force also decided to keep a close watch on developments in the "New Soviet Union."

The official further explained that most of those present at the meeting preferred a "step-by-step" approach in developing substantive relations between the Republic of China and the "New Soviet Union."

"Initially, we'll promote information and cultural exchanges in order to foster good will and to enhance mutual understanding," the official said. The government will invite more Soviet journalists to visit Taiwan, he revealed.

During this transition period in the former communist empire, the official said, the semi-official China External Trade Development Council is not planning to open representative offices in the Ukraine and Belarus. The trade promotion organization currently has an office in Moscow.

As to proposed food aid to the Soviets, the official said, it is still in the planning stage. "Since the situation in that country is fast changing," he noted, "it is difficult to distribute the proposed aid." There is still no final decision on how and to which organization the food will be delivered, he added.

**Soviets 'Eager' To Develop Economic Ties***OW1712080991 Taipei CNA in English 0739 GMT  
17 Dec 91*

[Text] Taipei, Dec. 17 (CNA)—The Soviets are eager to develop economic cooperative ties with Taiwan, a visiting Soviet economist said Monday.

"We hope to receive investment capital from Taiwan," Leniod Abalkin, head of the Institute of Economics of the Russian Academy of Science, told a Taipei seminar on the outlook for Sino-Soviet trade and economic relations.

Abalkin, who once assisted Soviet President Mikhail Gorbachev to promote economic reforms, said he is convinced that there is ample room for economic cooperation between Taiwan and his homeland.

For one thing, Abalkin explained, Taiwan can help the Soviets establish a small and medium business system.

Abalkin admitted that the Soviet Union is suffering from a deteriorating economy and the situation is expected to get worse. "I believe developing small and medium business is one effective measure that can help create a healthy economy," he noted.

The Soviet economist said he had been impressed by Taiwan's economic success, particularly its dynamic and bullish small and medium businesses.

Despite its current political and economic chaos, Abalkin stressed, his country's determination to develop a free-market economy will not change. He hoped Taiwan businessmen will invest more in his homeland.

Speaking on the same occasion, Augustin Liu, secretary-general of the semi-official China External Trade Development Council [CETRA], said it is an established government policy to boost economic cooperation with all of the republics of the disintegrating Soviet Union.

Liu said that CETRA will help Taiwan enterprises forge joint-venture partnerships with their Soviet counterparts. The council has also decided to offer training courses for

business professionals from all of the Soviet republics in order to help them build a consumer goods market.

"Through such assistance," Liu said, "our relations with the individual republics will get stronger, and someday, they will become our customers."

Governor Samuel Shieh of the Central Bank of China and Vice Finance Minister Li Chung-ying also attended the seminar sponsored by a private business association.

#### Scientific Cooperation Accord Signed With Soviets

OW1712084991 Taipei CNA in English 0752 GMT  
17 Dec 91

[Text] Taipei, Dec. 17 (CNA)—Scientific and technological exchanges between Taipei and Moscow will continue to make steady progress now that a cooperation agreement has been signed, chairman Hsia Han-min of the National Science Council [NSC] announced Monday.

Hsia, on behalf of the cabinet-level agency, inked a scientific and technological cooperation agreement with Moscow's National Academy of Science during his recent visit to the Russian Federation. The accord formalized a memorandum on bilateral cooperation signed in Taipei by the two organizations in October.

Hsia, heading a group of scientists, visited Moscow December 8-13 at the invitation of Boris V. Gusev, head of the Soviet Science Academy.

Russian scientists are interested in forging cooperative ties with Taiwan, Hsia reported. The Soviets have produced a list of 80 "strategic" technologies that they are willing to transfer to Taiwan, he said.

The list includes technical know-how for manufacturing battery-free energy accumulator, low-pollution engines for compact sedans, fine-quality materials for fuselage

and high-speed engines, low-temperature integrated circuits for supercomputers, satellite components and parts, and many other sophisticated instruments.

Hsia pointed out that the Soviet Union has been a forerunner in high-technology industries and many of its state-of-the-art products are good in quality. As the country is badly in need of hard currency, it usually asks for lower royalties on its advanced technical know-how than other Western countries. Hsia said his council will soon provide detailed information about the 80 technologies for the reference of local research institutions.

The Soviets are eager to learn from the experience of Taiwan's Hsinchu Science-Based Industrial Park, Hsia reported. "They hope to learn how scientific research results can be commercialized," he explained.

The Hsinchu Science Park administration will join with the Moscow University to help the Soviets develop a similar industrial estate in their own homeland, Hsia said. In return, Moscow University will provide scientific Russian language training for Taiwan scientists. Initially, NSC will send 10 local scientists to Moscow University to study Russian.

To facilitate bilateral exchanges, Hsia said, the National Science Council will open a representative office in Moscow before next June and a "parallel" Soviet liaison office will also be set up in Taipei by the end of 1992.

Hsia further reported that Aleksandr M. Prokhorov, head of the Institute of Physics of National Academy of Science of USSR, will arrive in Taipei Friday for an eight-day lecture tour.

Prokhorov is a Nobel laureate and inventor of the laser (light amplification by stimulated emission of radiation). In addition to visiting academic organizations here, the famous Soviet physicist will lecture on laser applications in medicine at National Taiwan University.

## Hong Kong

### Governments Backs Police on Shooting Incident

HK1812043291 Hong Kong SOUTH CHINA  
MORNING POST in English 18 Dec 91 p 3

[By Jimmy Leung and Susan Furlong]

[Text] Anti-smuggling task force officers who fired on suspects during an operation in Tolo Harbour were backed by the Government and legislators who said yesterday they had a right to protect themselves.

The Acting Secretary for Security, Mr Ian Strachan, said: "Clearly if the Marine Police believe they acted properly then we in government must support them."

And his views were backed by convenor of the Omelco [Office of Members of the Executive and Legislative Councils] Security Panel, Mrs Rita Fan Hsu Lai-tai, who said: "We know the work of stopping smuggling at sea is dangerous because some officers have died."

The firing of eight shots from a Sterling sub-machine gun was totally justified, she said, because the lives of officers were threatened.

Officers fired on a gang of suspected smugglers on Monday night after one of them threw an explosive device on to a police vessel.

The coxswain of the police boat suffered slight burns and cuts to his face and two other officers were hurt when their boat was rammed.

Just as the man was about to throw again, officers fired a warning burst of eight rounds and launched a smoke grenade.

Mr Strachan said yesterday that the police were taking several measures to combat smuggling but added he could not go into operational details.

He had discussed recent incidents with the deputy director of the State Council's Hong Kong and Macao Affairs Office, Mr Chen Ziyang, during his visit to Hong Kong last week, he said.

"He told me categorically that where it was proven to the satisfaction of Chinese authorities that vessels had entered Hong Kong waters and had illegally engaged in smuggling involving either members of the public or people in uniform, that action would be taken strongly by the Chinese Government," he said.

Mr Strachan said the Governor, Sir David Wilson, might broach the issue of smuggling involving Chinese nationals during an upcoming visit by the director of the State Council's Hong Kong and Macao Affairs Office, Mr Lu Ping.

Marine Police regional commander, Assistant Commissioner Mr Barrie Deegan said a full report would be submitted to the Commissioner.

He added: "Preliminary investigations reveal that the shooting was justified because the officer had to protect himself and others from serious injury when one of the two men on board the smugglers' speedboat threw an explosive device which exploded in mid-air."

When officers boarded the boat they arrested two mainlanders, aged between 31 and 34, and seized 30 televisions and 44 video recorders worth \$200,000 [currency not specified].

The smugglers' boat with the undeclared goods on board was towed to Tai Po Kau Marine Police base.

In addition to the smuggling offence, police are seeking legal advice on whether they can lay other charges against the pair from Weidong, Guangdong province.

The two men were last night still being detained for investigation.

According to internal police orders, an officer can open fire "to protect himself or any other person from death or serious bodily injury or to effect the arrest of any person who he has reason to believe has committed a serious and violent crime."

Mrs Fan added: "The police force should carefully consider again under what situation officers should use firearms."

"There should be some flexibility in it because they have to protect themselves and I'm sure police, who are well-trained, would not shoot unless they are forced to do so."

### Mainland Defends Action in Nov Smuggling Incident

HK1812103691 Hong Kong WEN WEI PO  
in Chinese 18 Dec 91 p 15

["Dispatch From Guangzhou" by staff reporter Pan Su (3382 3307): "Guangdong Person in Charge of Border Defense States That Hong Kong Accusation in Anti-smuggling Struggle Does Not Tally With Facts"]

[Text] Guangzhou, 17 Dec (WEN WEI PO)—An official in charge of Guangdong's border defense confirmed today that Guangdong police did not point their guns at or threaten Hong Kong marine police during a 19 November operation in which both Guangdong and Hong Kong police pursued a suspected smuggling boat.

This official in charge told us that as soon as they learned of the "incident," they attached great importance to it and immediately ordered relevant subordinate departments to carry out repeated and careful investigations, which consumed considerable time and human resources. It turned out that there are great discrepancies between the investigation results and information provided by the Hong Kong side. The facts are as follows:



At dusk on 19 November, the Shekou Border Inspection Station received information that a wooden boat was to smuggle video recorders from Hong Kong to Baoan County that night.

A chief officer of the Shekou Border Inspection Station Dachan Substation Second Section, together with four policemen and two plainclothes security personnel, immediately went and laid an ambush in a normal sea route on the northwest side of No. 3 green beacon, in a sea zone east of Shekou, using two twin-engined motor boats (one was deep blue in color, 150 horsepower, with no serial number; the other was brown, 600 horsepower, with serial number 808), each equipped with a model-56 submachine gun and a pistol.

At about 2200, on-duty Guangdong police saw the wooden boat moving towards them. Several minutes later, when the wooden boat was close to the ambush, the two motor boats attacked; one attempted to block the wooden boat, the other headed directly for the wooden boat and tried to close in from the rear to surround the target. The wooden boat turned and went off the ordinary sea route by nearly 300 meters to the southeast.

As it was getting closer to the target, the second motor boat saw at about 100 meters away three Hong Kong marine police rubber boats, with police lights on, also in hot pursuit of the wooden boat, and fired smoke bombs at intervals.

Being pursued by both Guangdong and Hong Kong police, the wooden boat was heading toward Shekou at high speed. The Hong Kong police rubber boats went off the normal sea route by over 1,000 meters. By this time, the Guangzhou police sent light signals to Hong Kong police to ask them to return. In the end, the Hong Kong police returned after not moving for about 10 minutes.

The Guangzhou police intercepted and captured the wooden boat near Shekou Container Port, and immediately escorted it to Shekou Aquatics Port. There, policemen boarded the boat and searched it thoroughly. After they found no smuggled goods but only three civilians from Xixiang, Baoan County, the Guangdong police freed the boat and the men on board.

This official in charge emphasized that during the entire course of the operation, the Guangdong police always had the two submachine guns slung against their chests and the two pistols in their holsters around their waists, and not once were the two pistols taken out. Of course, because they stood on boats which were tossed about by the waves, some policemen had to hold the gun grips or barrels to prevent the guns from bouncing against their chests. Anyone with a little military knowledge will know that this is commonly seen when carrying out duty at sea.

However, several days after the event, a so-called "cross-border armed threat" "incident" was reported unexpectedly in Hong Kong. The official pointed out that it is common knowledge to all that carrying weapons and "threatening with guns" are two totally different things. In addition, the Hong Kong police gave this explanation:

"Because of the darkness, the police were unable to identify the number of people of the other side, nor could they prove if guns were pointed at the police." If the Hong Kong police "were unable to prove," on what grounds did some Hong Kong officials make purely fictitious charges against the Guangdong police for colluding with smugglers? What are their intentions?

The official in charge of Guangdong border defense indicated that Guangdong and Hong Kong police should work in close cooperation to crack down on smugglers, which is an important measure to check smuggling and maintain prosperity and stability in both Guangdong and Hong Kong. However, the Guangdong police will by no means accept irresponsible charges or any groundless accusations or embellishment which proves unfavorable to cooperation between the two sides.

#### Further on Denials

HK1812050391 Hong Kong Commercial Radio  
in English 0400 GMT 18 Dec 91

[From "Midday News" program]

[Text] China has disputed Hong Kong's version of an incident at Ninwan last month in which mainland security men are said to have pointed guns at local marine police engaged in antismuggling duties.

Details from Jeremy Austin:

[Begin Austin recording] The incident in which mainland security men were apparently acting in collusion with smugglers caused an outcry and Britain issued a protest to the Chinese through its ambassador in Beijing.

But accounts published in the leftwing press here say investigations by the Guangdong authorities found no evidence to support Hong Kong's version. China says the officers in question were also on antismuggling duties and intercepted a wooden boat chased into Chinese waters by the territory's marine police. It admits that the men were armed with four rifles and says they did not point them at Hong Kong police. The account says the boat was searched and escorted back to Shekou but no smuggled goods were found on board. [end recording]

#### Mainland Official Concludes Hong Kong Visit

OW1812100291 Beijing XINHUA in English  
0923 GMT 18 Dec 91

[Text] Hong Kong, December 18 (XINHUA)—Chen Ziyang, deputy director of the Hong Kong and Macao Affairs Office under the Chinese State Council, wound up his visit here today.

Chen said he was impressed with the efforts made by people from all circles in Hong Kong for its prosperity and stability and the smooth transfer of power in 1997.

During his 10-day visit, Chen stressed the significance of greater cooperation between the Chinese and British Governments as well as increased communications and exchanges between the mainland and Hong Kong as 1997 draws near. This is very important in maintaining the continuous stability and prosperity of Hong Kong, he said.

He reiterated that the Chinese Government is firm in implementing the strategic decision of "one country, two systems."

Chen arrived here on December 8 at the invitation of Hong Kong Governor Sir David Wilson and director of XINHUA NEWS AGENCY Hong Kong branch Zhou Nan. It is his first Hong Kong visit since he took up the current position in March this year.

Chen showed his concern with the development trend of Hong Kong's political structure, saying that the development of the political structure in Hong Kong should be geared to the basic law on the Hong Kong Special Administrative Region of China to ensure the smooth transfer of power.

He noted that Hong Kong's political structure has always been an executive-led one and this was taken into consideration when the Basic Law was made. It should not be changed and this is for the sake of maintaining Hong Kong's stability and prosperity, he added.

During his stay in Hong Kong, Chen met with delegates of Hong Kong to the National People's Congress, members of the National Committee of the Chinese People's Political Consultative Conference and people of various circles.

Chen visited the new airport site at Chek Lap Kok, the Hong Kong University of Science and Technology and Mass Transit Railway Co. Ltd.

#### **Commentary Refutes Legco Motion on Appeals Court**

*HK1612035191 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1007 GMT 11 Dec 91*

[Commentary by Kan Cheng (3927 2110): "Real Nature of Hong Kong Legislative Council's Motion on Court of Final Appeal"]

[Text] Hong Kong 11 Dec (ZHONGGUO TONGXUN SHE)—The Hong Kong Legislative Council [Legco] adopted a motion not long ago requiring "greater flexibility than the arrangements already negotiated between Britain and China" in the composition of the post-1997 Court of Final Appeal. Some people even asserted that the composition of the Court of Final Appeal and the say in inviting overseas judges to sit on the bench without restriction are even more important than establishing the Court of Final Appeal in 1993 ahead of schedule, and if the negotiation reached between China and Britain on the Court of Final Appeal should remain unchanged, they would rather give up the establishment of the Court of Final Appeal prior to 1997.

It seems that some Legco politicians are aiming to coerce the Chinese and British Governments to renegotiate the Court of Final Appeal, while expressing that it has a say in the implementation of the Sino-British negotiation through the channel whereby Legco may veto the Hong Kong Government's draft bill on the Court of Final Appeal. Such power is precisely what some politicians in the Legco are yearning for day and night. The leader of a certain political organization has recently repeatedly demanded: "The Sino-British Joint Liaison Group should notify the Legco of what it will discuss beforehand and report to Legco afterwards." This shows to what extent those politician's power ambition has ballooned in intervening in the implementation of any agreements reached between China and Britain on the Hong Kong issue.

The Agreement on the Court of Final Appeal reached at the Sino-British Joint Liaison Group aims chiefly to maintain the continuity and stability of the Court of Final Appeal in the latter part of the transitional period, which is conducive to firming investors' confidence and maintaining Hong Kong's prosperity as well as the concrete embodiment of the spirit of the Joint Declaration and the Basic Law. It is decided in the agreement that a maximum of one overseas judge is to sit on the five-member bench, with the other four being local judges. This is a concrete embodiment of the Sino-British Joint Declaration and the spirit of Hong Kong people ruling Hong Kong. To the Chinese side, this is a major issue involving sovereignty. Because the establishment of the Court of Final Appeal spans 1997, it is hardly imaginable that China will allow Hong Kong with its sovereignty returned to China in 1997 to have its Court of Final Appeal consisting of overseas judges in the main, with the power of final appeal monopolized by foreigners. It is a matter of course that the British side did not insist on greater number of overseas judges sitting on the bench of the Court of Final Appeal.

However, some people in the Hong Kong Legco, as a counsel organ under the Hong Kong governor, whose power and function, under the stipulation of the "Royal Mandate" should never violate British treaties and agreements in foreign affairs, are attempting the impossible, even with their knowledge, to set forth a motion to alter an agreement on the Court of Final Appeal reached between China and Britain. But why? Have they no faith in Hong Kong judges? In fact, they do have an ax to grind, plotting for a higher status for Legco and greater say—creating a precedent for Legco's say in demanding revision of the agreements reached between China and Britain and impeding their implementation. Should this precedent come true, then some Legco's politicians will demand revision and even manipulate whatever agreements reached in the Sino-British Joint Liaison Group when they find anything in the agreements failing to meet their requirements. Then, is it not true that in its work, the Joint Liaison Group will have to depend on the Hong Kong Legco? People are waiting to see if the Hong Kong Government concedes its power to govern Hong Kong to Legco, a counsel organ under the Hong Kong Governor.

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